

The NATIONAL UNDERWRITER

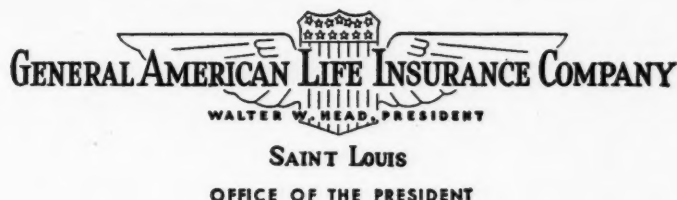
Life Insurance

LIBRARY OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS
1501 LOCUST STREET
ST. LOUIS, MO.
82#

Insurance Library

B340

6CT 2 1939



Open Letter to Members of the National Association of Life Underwriters

Gentlemen:

Fifty years—five decades—of pioneering, of inspired leadership and constructive service mark the rugged highway over which our organization—The National Association of Life Underwriters—has traveled.

As you meet in convention to look backward through the years, you have much of which to be proud. For yours has been a "helping hand" service that has actually helped.

Through the media of life insurance you have contributed generously to the security of American life. And through organization—through the interchange of ideas and ideals—you have, at the same time, enriched your own lives.

Ahead of you in this swiftly changing world lies a trail fraught with even more difficulties than the one you have traveled. But you will, we are certain, meet every challenge with a determination to maintain the high standards which have won for the institution of life insurance such a large measure of public good will and confidence.

On behalf of my associates and myself I wish to greet you and welcome you to Saint Louis.

And while you're here, look in on us. You'll find an open door and a warm, sincere welcome in every executive office, every department of the General American Life Insurance Company, at 1501 Locust Street.

Yours to command,

President

2

2nd CONVENTION DAILY

THURSDAY, SEPTEMBER 28, 1939



WELCOME

For the Company, and on behalf of the Agency Representatives of the Kansas City Life Insurance Company, many of whom belong to your association, we extend a cordial welcome to Members of the National Association of Life Underwriters assembled in our HOME state for their GOLDEN ANNIVERSARY Convention.

The success of this meeting will be reflected in the improved efficiency of all those attending, and contribute a greater public service through Life Insurance.

Kansas City
LIFE
INSURANCE COMPANY
KANSAS CITY
MISSOURI

New Attendance Record of 2,137 Is Set

Social Security Is O. K. If It's Not Carried Too Far

Woll Opposes Govern-
ment Invading Field
of Private Enterprise

Convention Headquarters
Jefferson Hotel, St. Louis

Support of the idea of social security is in no way inconsistent with unwavering opposition to governmental invasion of the field of private enterprise, Matthew Woll, vice-president, American Federation of Labor and president of Union Labor Life, declared in his address at the Thursday morning session. Because of their limited scope, social security benefits need to be supplemented by life insurance. He sounded one warning, however, in connection with group or social insurance written by private companies, in expressing emphatic disapproval "of any form of group insurance that tends to an age limit of employment of 45 years or any age at which men are told that they are undesirable or too costly a risk. Executives who would make such harsh rules or who would further such a policy would bitterly resent them if applied to themselves."

Bulwark of Private Enterprise

"Workingmen of America buy more insurance from private companies than do the workingmen of any other country in the world," Mr. Woll said. "They believe in insurance not only because it is one of the bulwarks of our whole system of private enterprise but because it is typically American way of making provision for the future. They see in the opportunities of life insurance for the individual a plan which is responsive to his own needs and in accordance with his own desires to make adequate provision for himself and his family for those future needs which one can reasonably anticipate. They count it as a proper part of the function of private enterprise to make possible this effort of collective assurance against risk."

He pointed out, however, that workers in altogether too many instances cannot take out insurance policies—disability insurance, retirement annuities or ordinary life insurance. "Industrial life insurance is widespread, but the average policy is very small—just about enough for funeral expenses."

Competition in Many Quarters

He warned of "the danger of a constantly increasing invasion of governmental regulation, control and actual participation in undertakings that by their very nature are best advanced through private enterprise."

"To say this is in no wise to lose sight of the fact that labor has given its unqualified support to a program for social security or social insurance undertaken in this country by the government. There are certain hazards which they regard as insurable risks through the devices of government, such as unemployment, industrial accident and old age."

"However, we must be sure that any



Top row—Jess W. Moore, Mutual Life, Springfield, Mo., president Missouri association; Adam Rosenthal, Reliance Life, St. Louis.

Second row—H. K. Nickell, Connecticut General, Chicago; Joy Luidens, manager Chicago association; Lisle A. Spencer, Equitable Society, Youngstown O.

and all social security laws do not unduly interfere with or fundamentally weaken our system of private enterprise and of free enterprise. While it is true that the present social security act provides both a deferred annuity and a death benefit and in both fields competes with service offered by life insurance companies, it is generally agreed that because of the limited scope the benefits offered under the social security act must be supplemented by the facilities of a life insurance company."

He said the life insurance companies are feeling the effects of new varieties of competition in many quarters. "The baby bonds offered by the Treasury department present a similarity to the 10-year endowment policies offered by life insurance companies, without, however, the immediate death benefit offered by the latter. In two states, savings banks are competing with life insurance companies for the sale of life insurance policies."

He referred also to the competition in the investment field from governmental and other agencies, and added: "The future of the agent is, of course, closely bound with the eventual ability of the life insurance company to withstand such competition."

On the question of reductions in in-

(Continued on page 45)

Agency Convention Reaches Peak at Fiftieth Year

Thursday Morning Session
Features C. L. U. Confer-
ment Exercises

Convention Headquarters
Jefferson Hotel, St. Louis

The golden jubilee convention of the National Association of Life Underwriters has turned out to be the best attended of any convention in history. The official registration late Wednesday evening was 2,137. This is the first time that the registration has passed the 2,000 mark, although that has been the objective for years. The previous high record was set in 1933 in Chicago, when the registration was about 1,950.

Not only does the convention bulk large in quantity, but the attention is close and the crowd is decidedly appreciative. The main convention hall in the Jefferson had every seat taken at the Wednesday sessions, the balcony was exhausted and dozens stood along the edges. About 200 were always in an adjoining room getting the proceedings through the loud speaker.

Crowd Sparser Thursday

The crowd thinned out somewhat for the session Thursday morning, because of the demands of the night before at the President's reception and ball, the traditional night of gaiety at these conventions. The function was brilliant, with most of the conventioners and their ladies in evening garb and with the spirit of fellowship quickened by the numerous cocktail parties earlier in the evening given by the various companies.

Much credit is due the St. Louis local committee in charge of the Wednesday evening function. Gale Johnston, Metropolitan Life, was chairman, and George Dyer, Jr., Columbian National, vice-chairman. The receiving line consisted of Holgar J. Johnson, president, and Mrs. Johnson; Fred T. Rench, National Life, president St. Louis Life Underwriters Association and Mrs. Rench; George Dyer, Sr., Columbian National, general St. Louis chairman, and Mrs. Dyer; C. J. Zimmerman, Connecticut Mutual, Chicago, at this writing vice-president, but at this reading president of the National association; Harry T. Wright, Equitable Society, Chicago, at this writing secretary, and at this reading maybe vice-president, maybe not of the National association, and Mrs. Wright, and Jess W. Moore, Mutual Life, Springfield, president Missouri State Life Underwriters Association.

Momentous Decision

The Thursday main convention activities consisted of a morning session only, but early in the afternoon the national council goes into session for the momentous decision of whether Harry Wright is to be the vice-president or whether the mantle shall fall on John A. Witherspoon, John Hancock, Nashville. The odds were still even as the

(Continued on page 8)

Head Entertains Distinguished Guests

President Walter W. Head of General American Life of St. Louis was host at the distinguished guests luncheon at the Statler Wednesday, the group numbering 32. Mr. Head introduced Mayor B. F. Dickmann of St. Louis, who served as toastmaster for the early part of the ceremonies. Governor Stark of Missouri spoke briefly, as did Superintendent Ray B. Lucas of Missouri, Gov. Harold E. Stassen of Minnesota, and Lewis M. Means, adjutant general of Missouri. Mr. Head then introduced the insurance guests, who included the presidents and ranking vice-presidents of companies that were in the city.

May Employ Field Assistant at Headquarters

In addition to reallocating the duties of the three principal headquarters executives the report of the special committee that was adopted by the trustees provides for the employment of a field assistant, who shall keep circulating among the local associations, bringing ideas from one place to another and maintaining interest. Employment of such an officer depends upon the financial capacity of the association.

Agents Must Be Trained in Skill In Selling: Hewitt

More Than 100 Hear Discussion of Subject at Supervisors' Luncheon

Ways of training the agent in skill in selling were outlined by E. S. Hewitt of the C. J. Zimmerman agency of the Connecticut Mutual in Chicago, at the Supervisors' luncheon, with more than 100 in attendance. A number were turned away, as attendance was limited to those who had made reservations in advance. Mel R. Scherman, State Mutual Life, St. Louis, presided and introduced the speaker.

A unique feature of Mr. Hewitt's talk was the introduction of recorded demonstrations of interviews, showing the right and the wrong way of doing it. Unfortunately the loud speaker apparatus was not working just right, so that those on the outer edges of the room had difficulty in hearing the recordings.

He defined "skill" as implying a degree of perfection in a certain technique, and then reviewed some of the methods used by successful leaders which increase a man's chance of success in the business.

Confined to Selected Phases

He said it is necessary to confine training for skill to certain selected plans of operation. It would be practically impossible for a man to set out to acquire skill in the job in its entirety without first breaking it up into its minor phases. A man may be skillful in one phase of the job, such as motivation, and still be considerably lacking in skill in some of the other phases, such as prospecting.

In that connection he gave a demonstration of the wrong way for an agent to go about the job of having prospects referred to him, and contrasted it in another demonstration with the methods used by a man who set out to acquire skill in this phase of his job and worked at it for many months, preparing, rehearsing, experimenting, revising, gaining experience.

Gives Two Illustrations

He said that some men are just naturally more skillful salesmen than others, and gave two illustrations from his agency.

"A year ago we took into our organization a young man 26 years old, who is one of the most convincing salesmen I've ever had the pleasure to work with," he said. "This week he will finish his first year with close to \$500,000 paid for."

"I've spent a lot of time with him, much of it devoted to expanding his knowledge of life insurance. He has a natural aptitude for developing his own technique for presenting a certain idea. He has developed a number of selling plans, with our guidance. In spite of the fact that he is naturally a convincing salesman, he is gradually acquiring greater skill in the techniques he has adapted for presenting the story of life insurance."

"Contrasted to him from the standpoint of background and natural selling ability is a young man who also came with us at the age of 26 about a year and a half ago. Last year he paid for \$82,000. So far this year he has paid for over \$200,000. He has been a grand boy to work with—he follows supervision very willingly. If we said: 'This is the best way to do it,' that's the way it was done."

Skill Can Be Developed

"But it hasn't been so easy for him. He has mastered several selling methods, one at a time—laboriously developing his selling material, his answers to objections, his motivation; preparing, drilling,

(Continued on page 46)



Top row—Tom B. Reed, Oklahoma City, and Carey Selph, Houston, both million dollar producers of the Great Southern Life.

Second row—George E. Lackey, Massachusetts Mutual, Detroit; Karl E. Madden, Penn Mutual, Davenport, Iowa.

Third row—L. W. S. Chapman, Research Bureau; Philip B. Hobbs, Equitable Society, Chicago.

Franklin Life Dinner Is Attended by 35

About thirty-five attended a get-together dinner of Franklin Life Tuesday evening at the Lennox. James Abels, agency director, presided. Also present from the head office was Floyd Short, agency secretary. Jack Wiseman, St. Louis general agent, was accompanied by eight of his men.

Lee R. Parker, president American Service Bureau, accompanied Col. C. B. Robbins, manager American Life Convention, who presented greetings from that organization.

Sam R. Hay, Jr., superintendent of agents Protective Life of Birmingham,

who formerly was with the Great Southern in Houston and president of the Texas state association, was hobnobbing with his old Texas cronies.

George Barmore, vice-president and head of the agency department of the Federal Life, and Vice-President Spencer R. Keare, got in from Chicago Wednesday morning.

Old Line Life Represented

Old Line Life of Milwaukee has about a dozen representatives at St. Louis, the head office executives being Paul Parker, superintendent of agencies, and Roy Millar, the new assistant superintendent of agents.

Free Enterprise Appeal Strikes Responsive Chord

Gov. Stassen, of Minnesota, and Fred Healy Make Welkin Ring

The two final speakers at the Wednesday morning program of the National Association of Life Underwriters, struck a most responsive note with their audience and each was greeted with spontaneous and prolonged applause as they finished and then got an extra accolade at the request of President Holgar Johnson to give them a hand. These speakers were Fred A. Healy of the Curtis Publishing Company and Harold E. Stassen, the youthful governor of Minnesota. Each spoke in measured words and without emotional oratory, but in their plea for preservation of the American system of free enterprise they got the enthusiastic assent of the audience at almost every sentence.

Gov. Stassen said in life insurance emphasis has been placed on the rights and privileges of the individual citizens. In so doing insurance, he declared, has unleashed individual initiative and free enterprise of the citizens. The institution has been built upon the willingness of people to deprive themselves of some of the present fruits of labor in order to protect against future hazards. Through its protection it has stimulated the courage and self reliance of individuals to set forth in the building in their own fields of activity. The young man is given the opportunity to set up immediate safeguards for dependents so that he might courageously risk his time and energy in his chosen occupation. Insurance, he declared, has "helped builders to build."

Potentiality of Agents

Insurance agents, he asserted, have a great potentiality for influence upon public opinion.

Gov. Stassen referred to the monopoly study of insurance, saying that although there is doubtless room for improvement in the business as there is in all business, "it has been a little difficult to reconcile the motive and need of the current investigation with a constructive effort to be of service to the people. It seems to fit in more with an attitude of tearing down, when we need so much the spirit of building up."

"Great advances," he said at another point, "have been made in social security, but we must also be guarded in order that our security program shall not cause new insecurity."

Mr. Healy asserted that the service of the insurance agent in helping to build free American enterprise has not been adequately recognized.

Disbursements in 50 Years

Referring to the golden jubilee convention, he declared: "The total disbursements of the life insurance companies in these 50 years would run into figures that would make the financial amateurs of the new deal green with envy." In 1938 the total disbursements and expenditures of life companies was about equal to the federal pump priming measures for relief purposes.

"Recently," he said, "criticism has been directed at the life insurance industry, accusing it of monopoly control because of its capital investment in productive enterprise. That this is wholly unfounded is indicated by the facts in the case. Even if all of the total admitted assets of \$27,750,000,000 were invested, it would comprise only about one-eighth of the capital at work in business in the United States. And let's not overlook the fact that these 27 billions of dol-

(Continued on page 43)

C. L. U. Activities Capture Limelight

Security Is Not Created by State for Individual

McCahan Tells How Life Insurance Has Aided American Security

Security is not created by the state for the individual; it is transmitted from the individual to the state, Dr. David McCahan, dean of the American College of Life Underwriters, declared in his address at the annual dinner of the C. L. U. National chapter on "The Contribution of the Life Underwriter to American Security." Stating that there have been many conceptions of what "American security" means, he narrowed down the subject to security of the individual, "believing that if he is made secure, or free from danger and anxiety, in his rights of life, liberty, property and the pursuit of happiness, we need not worry greatly about the security of his social, economic and governmental institutions." He said that this premise is contrary to the philosophy of totalitarianism, wherein security of the state is the supreme aim, and everything else, including all the time-honored elements of security for the individual, must give way to it.

What Creates Security?

After asking what creates this security of the individual and his family, he paid his respects to the various panaceas which have been proposed and said it is possible to go very far astray in our thinking if we ignore the fundamental underlying principles which are at the heart of real security.

"The promise made by a state which has sapped the financial strength and ruined the morale of its citizens in attempting to attain a fancied security for them may have little of the safety element in it as compared with that of the state which has fostered development of strong, self-reliant and energetic citizens."

He then pointed out the practical limitations on governmentally created security. "By taking turns," he said, "1,000 men, each of whom is equally willing to do his full share, could support on their upraised hands a ten-ton platform for a sustained period of time, and it is possible to send some of those who are weakest up on top of the platform to rest for a while, or perhaps to settle down for life, and to let the strongest carry the weight. The submerged group of forgotten men under the platform may not object to this for a while and may even encourage it if they see the rested ones later getting back in the harness. If the platform represents the government, it is not only evident that its strength comes from the human pillars underneath, but also that there is a limit to the number who can be sent up on top. Passing beyond that limit renders collapse with its attendant hazards to all inevitable. Security for those concerned can not therefore be attained by devising ways and means for getting larger numbers on top for longer intervals, or in devising new goals for stimulating those beneath to put forth greater exertions."

Contribution of Life Insurance

He said the types of service rendered by the life underwriter have changed with the passage of time and must necessarily be in a state of flux if they are to meet changing conditions in a flexible

(Continued on page 37)

Pioneering C. L. U. Spirit Is Lauded by Holcombe

The pioneering spirit of the Chartered Life Underwriters was lauded by John M. Holcombe, Jr., manager Sales Research Bureau, in discussing the new professional concept given holders of the C. L. U. designation and its influence upon public relations.

"You will be pioneers in the sternest and bravest sense of that word. You will set out for an unknown and hazardous land that shall become yours by the exertion of will. In attaining your desire you will face dangers more formidable than those that are merely of the flesh. You will be tempted, in the face of hardships and disappointments, to turn back and give up the long search, but you will not yield. For it is your destiny to push on and open a wide new world for the people of this country; to bring honor to your own names and that of the profession you serve. It is your privilege and your duty to serve as pioneers for the progress of life insurance and the American people—it is a trust that is safe in your hands."

Agents Blazed Trail

"Just as you are pioneers in what you are doing, so have there been pioneers ever since our present form of agency operations began. They blazed the way and at every convention of this association we are all paying our respects to the work which they have done."

"You will be servants in a country that has great need of your services. Society is becoming more and more complex and with its problems come those of protection and security. No longer may old people live on the farm and perform simple chores in return for their sustenance, and with the added mechanical dangers of this age no man can assure himself that he will always be adequate protection for his family. Men realize the competition in business life today and rare is the husband who would leave an untrained wife to compete in it."

Confused by Problems

"Everywhere today are men and women confused by the problems of life and living which relate to the protection of their families. All too frequently, they awaken to each new day anxious rather

than refreshed—puzzled over family and business problems for which they can find no solution.

"It is to them that you will come—to interpret life insurance in both its broadest and narrowest implications—to understand just what it can do to lift the crushing burden of financial trouble—and to personalize that understanding so that he who hears you will come to recognize what life insurance, applied by you, can do for his own peculiar problems."

"There is another sense in which you will be pioneers—there is yet another duty that is incumbent upon you. Through your training and ability you are fitted to present the highest ideals of life insurance to the public—and, mark it well, people will judge the institution you represent as they judge you. There have been critics in the past few years who have howled in the darkness as wolves before an established city. It is your task to point out the ignorance which often lies behind these cries to the people you serve. It is your duty to show them the benefits inherent in our institution so that they do not fall before the wiles which ignorant and misguided critics have prepared."

Maintain High Standard

"You must do this in many ways—by maintaining your personal and business actions at an impeccable standard, by actual talks to individuals and the community and, above all, by giving the benefits of all your learning and experience to the people you serve. In this manner the public will be brought close to the true facts and, realizing the mighty advantages of life insurance, will turn away from these critics and leave them to return from whence they came."

"Those awarded the designation of Chartered Life Underwriter take on more than an honor, they accept a professional status," Mr. Holcombe said. "For almost a century life insurance has progressed in this country until there is no denying the fact that it is a profession—that those who serve it well are professional men. For there is contained within it a priceless ingredient, setting

(Continued on page 19)

Conferment, Dinner, Election, Teachers' Conference Held

Brailey Heads National Chapter—Dr. Huebner's Absence Deeply Regretted

Chartered Life Underwriter activities held the limelight as the convention moved into its second day, with the C. L. U. conferment exercises featured at the Thursday morning session; the C. L. U. dinner Wednesday night, with Dr. David McCahan, dean of the American College of Life Underwriters, as the chief speaker, and the election of officers by the National C. L. U. chapter.

It was a cause of deepest regret that Dr. S. S. Huebner, president of the American College and patron saint of the C. L. U. movement, was again unable to participate in these activities. He has practically recovered from a recent indisposition but decided that it would be inadvisable for him to try to make the trip to St. Louis.

Now Over 1,000 C. L. U.'s

J. H. Reese, Penn Mutual, Philadelphia, retiring president National chapter, presided at the dinner. He observed that the holder of the C. L. U. designation has a distinct responsibility. There are now more than 1,000 holders of the designation. There were 34 candidates at the first C. L. U. examination whereas 1,742 took the examination this year. Some 2,300 have partial credits towards the designation. The work that has been done in the movement during the past 12 years is a distinct contribution to life insurance, he asserted. There are now 42 local C. L. U. chapters.

Mr. Reese presented the new president, Earle W. Brailey.

The assemblage dispatched a telegram of greetings and best wishes to Dr. Huebner.

The dinner group numbered about 250.

New National Chapter Officers

Announcement of the new officers of the National chapter was made at the annual meeting Wednesday. The officers, elected in a national mail ballot, are: Earle W. Brailey, New England Mutual Life, Cleveland, president; Benjamin Alk, Penn Mutual, New York, vice-president; E. A. Krueger, State Life, Indianapolis, treasurer; Dr. David McCahan, Philadelphia, secretary.

New directors are: M. L. Buchanan, Massachusetts Mutual, Boston; Beatrice Jones, Equitable Society, New York; R. W. Hoyer, John Hancock Mutual, Columbus; R. M. Stevenson, National Life, Pittsburgh; Matthew Brown, General American, San Antonio; Fred E. LeLaurin, Aetna Life, New Orleans; H. R. Kaufman, Northwestern Mutual, Minneapolis; John D. Moynahan, Metropolitan Life, Berwyn, Ill.; Hugh S. Bell, Equitable of Iowa, Seattle; H. K. Cassidy, Pacific Mutual, San Francisco; James E. Bragg, Guardian Life, New York; William King, Mutual Benefit Life, St. Louis.

Brailey Outlines Program

Joseph H. Reese, Penn Mutual, Philadelphia, retiring president, presided, and reported on the activities of the national chapter for the past year. A resolution of commendation was voted Mr. Reese on the extensive activities developed under his administration.

Mr. Brailey outlined a program for the ensuing year, which received hearty

(Continued on page 48)

Leaders of National C. L. U. Chapter



EARLE W. BRAILEY, Cleveland
New England Mutual Life
New National President



J. H. REESE, Philadelphia
Penn Mutual Life
Retiring President

Agency Convention Reaches Peak at Fiftieth Year

(Continued from page 5)

election session commenced. The action of the nominating committee was still conjectural Wednesday evening with a good many guessing that the committee would dodge the issue and refrain from naming either one for vice-president.

One report is that eight names are to be presented for the six vacancies on the board of trustees. One, according to this report, is to be the loser of the Wright-Witherspoon contest, the others being: Karl E. Madden, Penn Mutual, Davenport, Ia.; W. M. Duff, Equitable Society, Pittsburgh; Paul Sanborn, Connecticut Mutual, Boston; M. H. Stearns, John Hancock, Providence, R. I.; Isadore Samuels, New England Mutual, Denver; O. D. Douglas, Lincoln National, San Antonio, and A. Le Roy Johnson, Sun Life, Jacksonville, Fla.

Afternoon of Recreation

After the exciting issues of the election are determined, along with the place of the 1940 convention, the strain will be over for the hundreds of the conventioners who have taken these matters to heart and all hands will devote themselves to enjoying the entertainment provided by the St. Louis hosts. Some 1,300 have elected to take the cruise on the Mississippi. About 500 will go to the country club for an evening of dancing and Joseph Smith, Aetna Life, Houston, will go to the horse races, the third alternative offered by the hosts.

Ralph G. Engelsman, Penn Mutual, New York, presided Thursday morning in his capacity as chairman of the program committee. Thursday afternoon Mr. Engelsman steps into a more difficult role and reports to the national council in his capacity as chairman of the nominating committee.

Vincent P. Whitsitt, manager of the Life Presidents Association, delivered greetings for his organization. Usually Mr. Whitsitt does this chore at the opening session Wednesday morning, but Holgar Johnson decided to spread the greetings throughout the sessions this year rather than bunching them at the opening.

Matthew Woll, vice-president of the American Federation of Labor and president of Union Labor Life, gave the first address. The speech was fundamentally friendly to life insurance and the system of free enterprise, but it was critical.

Woll said the labor interests support the social security idea within certain limits but oppose governmental invasion of the field of private enterprise. He praised life insurance as an upholder of the principle of individualism but suggested some changes which he thought would improve its public relations position.

Trippe Unable to Attend

Juan T. Trippe, president of Pan American Airways, who was scheduled to have given a talk, was unable to attend, but the paper that he had prepared was read to the convention.

The conferment exercises of the American College were conducted with Julian S. Myrick, Mutual Life, chairman of the board and new life trustee, presiding. The conferment address was given by John Marshall Holcombe, Jr., manager Sales Research Bureau, who paid tribute to the pioneering spirit of the Chartered Life Underwriter and who stressed the responsibilities and opportunities which face the C. L. U.

Until the last moment it was uncertain whether L. H. Pink, New York insurance superintendent, would appear to deliver his scheduled address. Word was received late Wednesday night that the plane in which he was flying to St. Louis, had been grounded at Pittsburgh.



Top row—W. H. Fabian, supervisor Northwestern National Life, Houston; B. A. Wiedermann, Union Central, San Antonio, president San Antonio association; C. B. McPhall, Grant Advertising, Inc.; J. L. Lawrence, associate general agent Lincoln National, San Antonio; Lucien T. Jones, Southern Texas manager Amicable Life.

Second row—Colonial soldier and Philip F. Murray, Penn Mutual, Philadelphia, chairman of the committee seeking the 1940 convention for Philadelphia.

Woman's Market Is Greatly Expanded

With over 2,500,000 women now employed the insurance market has completely changed in the last 40 years, Miss Eleanor J. Felton, unit manager women's department of the Equitable Society, Boston, said in analyzing the sales possibilities in the woman's market. The great influx of women into the professional and business world did not commence until 1910. In 1900 there were only 400,000 women doing clerical work in the whole United States. In the next 20 years that number rose to 1,000,000.

"Today American women own over \$10,000,000,000 in life insurance and still the field has only been scratched.

"There is practically no limit to the field for women; we have the same educational advantages as the men, we attend the same courses in insurance, and enjoy the same training. A well-trained woman underwriter gives the highest type of service and advice," Miss Felton declared.

Assuming Responsibility Natural

"It is natural for women to assume responsibilities toward their families as well as to their employers. Therefore, in the transition from home-makers and housewives to the business world, they have assumed economic responsibilities not only for themselves but for their immediate families and in many instances outside of their family.

"Where is our market? We should cultivate every possible social contact. Through our churches, clubs, schools and social life we have an opportunity that men often fail to grasp.

"Mothers of children and grandparents can be readily interested in single premium endowment policies for the future education of their young people. It is

not only a good investment, but they can take advantage of the gift tax exemptions for these contracts. In one family I have written seven of these contracts.

Interested in Providing Income

"Business women are particularly interested in providing an income for themselves after retirement as well as protection through life insurance for their business. A particularly good field is in partnership insurance.

"Artists, teachers, doctors, lawyers, nurses, secretaries, all are interested in providing money for future use.

"Women of wealth need to provide life insurance for inheritance tax purposes. Every woman who owns a sizable estate should provide at least the \$40,000 exempted through law, for her estate. These women purchase annuities not only for their relatives and friends but for their employees and dependents. Again they utilize insurance for bequests to their favorite philanthropies. Husbands and wives often purchase joint and survivor annuities, thus being assured of a given income for the balance of their lives.

Programming Comes Natural

"Today programming a man's life insurance is usual for the trained woman underwriter. Because of our experience in the home, budgeting income, meeting the usual family expenses and the unlooked for emergencies, a woman is particularly fitted to discuss the various modes of settlements that are written in insurance policies and suggesting the needed amount to cover a man's objectives. It is said that women spend 85 per cent of the money earned by the men of the family, so it is easy to see why they know where it will be most needed."

Sanborn Makes Round Table Hour Sprightly Feature

The Wednesday afternoon session ran until 5:45, although the scheduled hour for adjournment was 4:30. The crowd stayed to the end, however, as the afternoon program consisted of solid life insurance material, and the final feature, the Million Dollar Round Table Hour, was an exceptionally sprightly feature. Towards the end the speakers had competition in the form of music from the huge reception of Metropolitan Life on the mezzanine floor.

Part of the overtime was due to the appearance of Gov. Stark of Missouri, who was scheduled to give an address in the morning, but was unable to reach St. Louis in time from Chicago, where he was attending the American Legion convention. He made a rousing speech that was greeted enthusiastically. He advocated neutrality and spoke in glowing terms of life insurance.

Paul Sanborn Sparkles

Paul Sanborn, Connecticut Mutual, Boston, the retiring chairman of the round table, conducted the round table hour. He was in fine fettle, as he introduced one by one the various members of the round table, having them walk across the stage. Concerning each member he had some humorous, but affectionate remark and the audience was impressed at the remarkable fraternity that has developed in that organization. The members are extremely clubby.

Four Round Table Speakers

Four members of the round table representing the four sections of the country gave short talks. T. K. Carpenter, Northwestern Mutual, New York, the first speaker, voiced the opinion that today's great need for life insurance is as a hedge against inflation. When men speak of hedging against inflation, Mr. Carpenter inquires whether they intend to put all of their surplus into real estate and commodities and the other hedging schemes. The reply is that the hedger intends to make investments as well in high class securities. "That is the part of your money in which I am interested," Mr. Carpenter replies. Then he goes on to explain the soundness of the insurance investment. "Don't put all of your money into insurance," Mr. Carpenter tells his prospect, "but put enough into it so that come hell or high water you will have a package."

Mr. Carpenter advocated approaching owners of high-grade bonds on the idea of liquidating and putting some of the proceeds into insurance. "The honeymoon of the high bond market is over," he predicted.

Sings Praises of Dixie

W. B. Monroe, Union Central, New Orleans, gave a witty talk that consisted largely of praise for Dixie and prediction that Dixie's course is to be upward and onward.

Ron T. Stever, Equitable Society, Pasadena, Cal., gave a thoughtful talk.

The final speaker was Harry T. Wright, Equitable Society, Chicago, national secretary and one of the candidates in the blazing contest for vice-president that is to be settled this afternoon. Mr. Wright's adherents took advantage of the occasion to demonstrate their partisanship with prolonged applause. The supporters of John A. Witherspoon, John Hancock, Nashville, with that old southern chivalry, refrained from booing.

Psychological Assistance

Mr. Wright said that the most helpful psychological stunt in his equipment is, prior to an interview, holding a bicker session with himself and persuading himself that the prospect's condition would be just lovely if he should buy the policy and simply dreadful if he should be without it.

Announcing

AN IMPORTANT STEP

toward the Solution of One of Life Insurance's
Most Talked-of Problems

There has long been a need for improving the method of compensating the life insurance agent. Desired is a system which provides him (1) a more stable income, (2) an income which follows more closely actual service rendered the policyholder and the Company, (3) a permanent and more profitable career in life insurance selling.

Here is an Entirely New Plan of Renewal Compensation Now in Effect for N^wNL Agents

Effective September 1, 1939, Northwestern National Life, by announcing a new plan of renewal compensation, took a great forward stride in the direction of rewarding its full-time producing agents in true proportion to the contribution made by them to the Company's welfare in properly selecting, selling, and servicing their business.

This new plan of renewal compensation is designed:

- (1) To encourage business that stays on the books to fulfill its purpose in protection, with consequent substantial savings to the public;
- (2) To pay well the agent who stays with the Company and serves his policyholders.

Instead of paying a percentage of the renewal premiums, this new plan pays a flat amount per thousand of business renewing over and above certain required minimums, thus assuring the man with a high persistency record a *rate* of renewal compensation materially greater than the man with average or low persistency. The amount of commission paid per thousand is the same regardless of type of policy or amount of premium, but is graded according to the year in which the business was produced. Under the plan, renewal commissions are *paid throughout the year in equal monthly instalments* and quickly become the dominant source of an agent's earnings, even exceeding the first-year commissions from substantial volumes of new business.

The new plan is not compulsory for any agent, but under it *four out of five of N^wNL's full-time active agents benefit immediately by substantial increases in renewal earnings*. In no event will an agent get less in renewal commissions than he is entitled under his present agency contract, and there is no reduction in the schedule of first-year commissions paid.

**NORTHWESTERN
INSURANCE**

O. J. ARNOLD, President



**NATIONAL LIFE
COMPANY**

Minneapolis, Minnesota

Year of Gains Is Revealed In Committee Reports

The procedure that was inaugurated at the Louisville mid-year meeting of distributing mimeographed copies of the committee reports was repeated at St. Louis. This system intensifies the interest in the national council meeting, as it permits the introduction of more spontaneous and spirited features into the sessions. In the past the national council meetings consisted largely of the reading of reports by committee chairmen. Although these reports contain much important information, they are more readily comprehended when read than when given verbally one after the other over a period of several hours.

MEMBERSHIP HIGH

A new membership high of 27,180 was reported by Chairman John A. Witherspoon, John Hancock Mutual, Nashville. Quotas were equalled or exceeded by 68 associations and 80 units fell just short of their goals, although they exceeded their 1938 totals. The previous year's record was exceeded by 148 units. Arizona, Delaware, Missouri, Pennsylvania, South Carolina, Tennessee and Vermont exceeded their quotas. Nine associations more than doubled their membership: Greenville, Huntington, Richmond, Ind., Delaware, Pittsburg, Kan., Green Bay, Wis., Danville, Ill., Rutland, Vt., and Chattanooga.

The leading associations in numerical gains are: St. Louis, 583; Chicago, 123; Pittsburgh, 117; Boston, 105; Indianapolis, 92; Philadelphia, 78; Kansas City, 70; Des Moines, 61; Seattle, 53, and Nashville, 50.

The Charles J. Edwards trophy was awarded to St. Louis with Greenville, S. C., Huntington, W. Va., and Richmond, Va., as the closest contenders.

LAWS, LEGISLATION

The committee on law and legislation, C. Vivian Anderson, Provident Mutual, Cincinnati, chairman, recommended that the association maintain at national headquarters a man who shall keep in touch with tax legislation, which is becoming more involved and voluminous each year.

Mr. Anderson observed that there is a tremendous amount of interest in the Bailey case, wherein the court of claims held that the proceeds of life policies were subject to the federal inheritance tax even though all incidents of ownership had been assigned to the beneficiary. The National association sought to be a friend of the court in carrying the case to the Supreme Court. The National association entered a brief in the case of Chase National Bank, exr., vs. U. S. and the federal court in New York rendered a decision that reverses the Bailey case holding.

An appeal is now pending in a Rhode Island case on the same point. The National association has been asked to enter the case as a friend of the court.

Pension Trust Taxation

Mr. Anderson referred to the fact that the internal revenue department has reaffirmed its ruling to the effect that premiums paid on life insurance on the lives of employees under a pension trust are subject to income tax of the employee as extra compensation. The department, however, has refrained from ruling that premiums paid for retirement annuities and group insurance are taxable. The matter will be pursued farther by the committee, according to Mr. Anderson.

In deference to the wishes of company executives the committee refrained from exerting its influence in behalf of the agents in connection with the new social security legislation.

"There is no doubt," Mr. Anderson

asserted, "that the act is not as pernicious as it seems on the surface, and it is certainly not as bad as the old act, but there is always the danger that it will be broadened to such an extent that some group, conceivably the life insurance agents, will have to rise up and call a halt on the extravagant expenditures which might be placed under such an act."

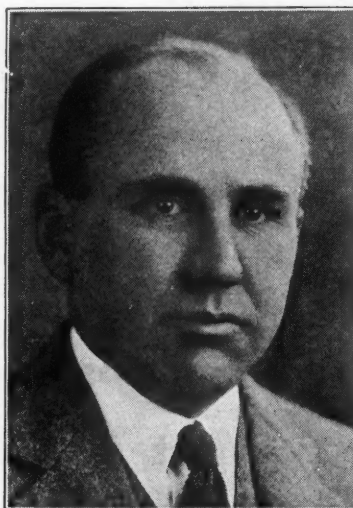
"Social security is a fine thing if the nation can afford to pay the bill without causing those who are called upon to pay the bill to arrive at a period of dependency long before they would come under the social security act."

AGENCY PRACTICES

The committee on agency practices, George E. Lackey, Massachusetts Mutual, Detroit, chairman, declared that complaints are heard more generally of the operations of unfit agents rather than of part-timers. The business has not yet gone far enough, he asserted, to eliminate the man who is not willing to pay the price of success in life insurance selling. Trained men are needed more than ever today in the light of such developments as savings bank life insurance, the social security amendments, business life insurance and pension trusts. The agent must understand the social and economic problems of the people as they never have before.

Mr. Lackey predicted that D. Gordon Hunter, Phoenix Mutual, as chairman of the agency practices committee of the Agency Officers' Association, at the forthcoming Chicago meeting will forcefully undertake to cause the individual agency officers to assume greater responsibility in developing respected field personnel. Mr. Hunter's committee should be con-

Gives Address at C. L. U. Conferment Exercises



JOHN M. HOLCOMBE, JR.
Manager, Sales Research Bureau

stantly advised of the activities of the National association's committee, Mr. Lackey said. Mr. Hunter's committee should exert every effort to win to the cause the non-signatory companies, particularly those of larger size.

Isadore Samuels, New England Mutual, Denver, reported on the results of a questionnaire to companies on various features of the conservation problem. Thirty-four companies responded. All of those companies expressed the belief that the selling process has a part in conservation; all of them are attempting to pro-

(Continued on page 34)

Show Them How to Buy Now; Too Late If War Should Come

Elliott Roosevelt Voices Tribute to Life Insurance, Plea for National Unity

A high tribute to the institution of life insurance was coupled by Elliott Roosevelt, who spoke at the luncheon of the Million Dollar Round Table Tuesday, with a stirring appeal for united effort to keep the United States out of foreign entanglements that might mean profit for certain classes of men.

"The youth of America cries out to you, the members of the life insurance profession," he said. "Show us how to buy it now—because if these people drag us into war—it will be too late."

Mr. Roosevelt said in opening his talk that in his earlier years the life insurance business had a great attraction for him, but he decided that he didn't know the right sort of people to make money in it. He added:

"When I left the insurance field to others more capable than myself, the torch of achievement was taken up where I had dropped it, by another member of my family. Evidently, he knew some people that I didn't know, because I noticed by the 'Saturday Evening Post' and other national weeklies that he has a rather well-advertised income and that he has done his share in payments to the bureau of internal revenue to help wipe out the deficit, which still another prominent member of the clan has been trying to preserve."

"Of course, it is slightly confusing to see this apparent action of cross-purposes between these famous relatives—one of them undoubtedly falls into the category of being an 'unreconstructed economic royalist,' which the second party believes to be the scourge of America today. But recently the field if insurance seems to have become exhausted, because now the motion-picture industry is receiving the attention of this insurance executive."

Don't Know What They're Buying

He discussed why people who know nothing about insurance are so eager to insure their lives and oftentimes, after buying that insurance, do not know whether they have made a good buy or not.

"We wouldn't conduct our own business affairs that way as a general rule," he said. "We couldn't afford to. But when it comes to buying life insurance we shrug our shoulders and say, 'Well, I bought the best policy I knew about and if I've made a mistake it's just too bad.'"

"You see, the majority of us are really just children when it comes to your line of business. On your shoulders hangs a tremendous responsibility—the responsibility of not letting the enthusiasm to make a sale and to sell just as much as possible run away with your knowledge of what would be right and what would be fair for us to spend."

He then spoke of the unfavorable attitude of some sections of the public toward an insurance man.

"I think that this attitude toward insurance salesmanship on the part of the general public is a mistaken one that can be easily overcome, because I believe that some day the full import of the part that insurance companies play, not only in insuring us, but in helping to keep the wheels of industry turning and thereby keeping our opportunities to earn a living going, will be made known to the public in phrases which those

(Continued on page 34)



Top row—R. N. Rafferty, Pacific Mutual, St. Louis; Jens Smith, manager of agencies Pacific Mutual; W. R. Hoefflin, supervisor of agencies Pacific Mutual. Second row—group of three "millionaires"—H. G. Mosler, Massachusetts Mutual, Los Angeles; Thomas M. Scott, Penn Mutual, Philadelphia; R. A. Brown, Pacific Mutual, Los Angeles.

Budget Plan Is Used with Success by Mrs. Blair

Three main thoughts behind her successful budget plan for merchandising life insurance were presented by Mrs. Lorraine L. Blair, Connecticut Mutual Life, Chicago, on the women's program. They are: "What have I to merchandise?" "What class of people want or need it?" and "What is the best and easiest method of merchandising it?"

"Life insurance as a product or service means something different to every person who sells it and to every person who buys it," Mrs. Blair said. "It means supplying human needs, replacing one's economic value with a money value, children's education, a systematic savings account or good investments, the reduction of taxes, stabilization of business or an emergency fund. Undoubtedly, the majority of people use it as a clean-up fund."

Only 5% Recognize Need

"Every class should want and does need life insurance, but only 5 per cent know they need it and really want it. If its functions were understood, how it carries out life's plans and makes homes safer and lives broader, everyone would buy it as they now buy clothes, food and amusements. In other words, 'go after it'. Ninety-five per cent of the people still have to have it sold to them through education and by explanation. After that they must be aroused into action through various emotions such as love and affection, fear, acquisitiveness or the desire for ease and comfort. No simple task for any agent. This leads to the third question, 'What is the easiest and best way to merchandise life insurance?'"

Too Shy, Not Tough-skinned

"Some agents may have felt as I did, not wanting to work too hard or to become discouraged or abashed at too many 'no's' or rebuffs. Aren't we a little shy, not too tough-skinned or aggressive, as many insurance agents are accused of being? If we haven't made the grade, we haven't applied ourselves as intelligently as other agents have or been as keen or capable as merchandisers of other commodities and services."

"It has always seemed to me that an agent's job was like an actor's—to put on a show," Mrs. Blair said. "First, the stage must be set—next, lines learned and then the play, which must be enacted artistically and convincingly to get ideas across."

"Most agents set their stages differently—some through publicity and prestige, others by entertaining and good fellowship in their homes or in attractive offices. Any of these methods help to establish confidence and build a pleasant relationship. The agent, in addition, must have a reputation for good service. This is as essential as the lighting effects are for a real show. With these stage props an agent can more easily arrange an interview at a time, in a place and under conditions most favorable for an interview."

Learning Lines Simple

"The learning of lines is a simple matter for any agent to acquire today. The technicalities, as well as sales psychology, are well taught in training courses and in the numerous books and magazines. We hear inspirational lectures, learn methods and get practical ideas from our fellow agents. But to put on our show artistically and convincingly is a real job. The medium must be good, the showmanship finished. We know a vital personality, a pleasing voice, attractive clothes, poise, tact and self-confidence are essential for an excellent performance. But without a desire to be of genuine service, no schooled or exterior manner will be effective."

In approaching a prospect Mrs. Blair uses a "Financial Guide for Living", a nine-page folder. An inventory is made

of the prospect's assets and compared to her earnings during the year she has worked. The result shows a glaring lack of accumulation. The next step is to set up a budget to see that the future will be different than the past. The mental attitude is important. "Budgeting should be a profitable, pleasurable experience, which makes one spend less time worrying and more time living calmly and having more pleasure," according to Mrs. Blair. "Budgeting is more a matter of

self-discipline and character than a physical bookkeeping idea."

"After a goal is determined for savings by setting up a budget it isn't difficult to make the sale," Mrs. Blair said. "It seems obvious that the best and safest medium to use for carrying out one's plans is life insurance. I seldom have anyone say they prefer bonds, stocks, building and loan, real estate, or government bonds in place of life insurance. Part of this agreement is due to the fact that I have created enough confidence through the service I render that they willingly accept my recommendations."

During an eight-month period she made out financial guides for 150 women who had worked an average of 18 years,

earning \$27,000 in that time, while their average savings or physical assets were only \$200.

Mrs. Blair deals mainly with single women for whom she usually recommends retirement incomes at 65 or endowments at 65, depending upon circumstances. Through her approach she is able to establish sufficient confidence to get the necessary information to make recommendations. She makes about one sale for every two interviews. She emphasizes such thoughts as "You certainly have not gotten the most out of your earnings or income," or "If you continue the same way you have in the past, you will have to forego independence in the future. Something must be done about it immediately."



"I SELL LIFE INSURANCE"

"... AND when I say *sell*, that's just what I mean! It's hard to understand why I'd have to sell protection to *any one*, but I do. Here is something that nearly everybody needs, seldom has enough of, and yet most always has to be *persuaded* to buy."

"Doesn't make sense? No, but I'll tell you why I didn't give up years ago: *I never yet sold a policy to any one who wasn't glad after he bought it.* That's why I can take the rebuffs and postponements. I know I'm doing a service that's always appreciated in the end."

"Another thing, there's a lot about life insurance these days that calls for a thorough knowledge of the subject. I've devoted my life to it, and yet I have to study all the time to keep abreast of developments. My company encourages all of us to do this. We New England Mutual representatives are in this business for keeps, and we've certainly got to know our stuff."

"For example, whether I sell you any insurance or not, I'd like to tell you about a new service that we call 'Co-ordinated

Estates.' The other day, by using this plan, I showed a man how to increase the total payments under his insurance estate by 31%—without added cost and without changing a single policy. Maybe I can do something of the sort for you. There's no charge for trying, and there's no obligation."

"No, I don't expect you to call me up. That would be asking almost too much! But when I call you up, all I want to hear is, 'Sure, come on over and co-ordinate!'"

"I hope to be seeing you... and soon!"

NEW ENGLAND MUTUAL Life Insurance Company of Boston

AGENCIES IN PRINCIPAL CITIES FROM COAST TO COAST

GEORGE WILLARD SMITH, PRESIDENT

THE FIRST MUTUAL LIFE INSURANCE COMPANY CHARTERED IN AMERICA

This advertisement appears as a full page in the SATURDAY EVENING POST of September 23, and as two columns in COLLIERS of October 7 and NEWSWEEK of October 30.

Welcome

TO SAINT LOUIS

N.A.L.U.



We are happy to
have you in our
midst.

At Your Service



American

LIFE and ACCIDENT

INSURANCE CO.

AMERICAN LIFE BUILDING
3805 Lindell Blvd.
SAINT LOUIS, MO,

S. B. HUNT, Pres.

F. J. MORAN, Vice-Pres.

J. H. DOAN, Vice-Pres.



Top row—Joe C. Caperton, State Mutual, Chicago; Ralph Hoyer, John Hancock, Columbus, O.

Second row—C. D. Connell, Provident Mutual, New York; E. E. Kirkpatrick, superintendent of agents Ohio National.

Southern Needs Are Analyzed by Monroe

The needs for new life insurance in the south are basically the same as they are in other parts of the country, W. B. Monroe, New Orleans, said as the southern representative on the Million-Dollar Round Table hour.

"Needs such as the clean-up, the adjustment, educational, and mortgage funds, family income, business protection and the others, have always been present. Some of these needs were recognized sooner than others; and then once in a while a new need appears such as insurance for estate and inheritance taxes. But—after all—aren't all of these so-called needs—save one—secondary needs? In fact, they could better be termed approaches rather than needs.

"Why should our prospects buy life insurance to provide a clean-up fund, tax money, adjustment fund, etc., when they know that when these little details come up, they will be far removed from the scene, either playing a harp, or shoveling coal?

"Surely, these are needs; but the underlying reason the prospect covers these needs is to protect his family.

Family Protection Fundamental

"You can break it down into its component parts, and wrap up these parts in fancy packages, tied with educational ribbons, tax ribbons, mortgage ribbons, and all the rest of the various wrappings; but after you have disguised it as much as you can, you can't help but recognize that the fundamental need for life insurance is family protection.

"Now, the people in the south may be a little short, as compared to other parts of the country, on that very important element essential to a successful sale,

and that is cash, dough, the long green. The only way I qualify a prospect is—'Has He Got the Money?' If he has the money, you can sell him something; if not for himself, for his wife, his child or his blind aunt. But if he hasn't got the dough to pay the first annual premium in cash, I don't want him! You can have him, even if he is a medical director's delight, and pure as a lily.

"It's true, we don't have a whole lot of money down south. However, we have fewer agents trying to separate the people from that first annual premium.

"Your chances of success in this business are not dependent upon the section of the country in which you live. The sooner we realize that our success or failure in this business is entirely up to us, the sooner we will succeed."

Northwestern National Men Questioned on New System

Northwestern National Life is represented by President O. J. Arnold, Carl Peterson, manager of agencies, W. F. Grantges, agency director, and Alan Kennedy, publicity director. News of the new system of renewal compensation that is being launched by Northwestern National has spread about and the Northwestern National executives are being questioned from all sides about the details. Mr. Arnold announced the innovation at a conference in Minneapolis last Friday.

Reception for Holgar Johnson

The Penn Mutual Life home office men held a reception Monday in honor of Holgar J. Johnson, president, National association and Pittsburgh general agent of the Penn Mutual. John A. Stevenson, president; Alexander E. Patterson and Wallis Boileau, Jr., vice-presidents, were the hosts.

Speaks at Dinner of National C. L. U. Chapter



DR. DAVID McCAHAN
Dean of American College

Integrity, System and Time Control Are Success Factors

Integrity is of prime importance in prestige building, Miss Helen B. Rockwell, National Life of Vermont, Cleveland, said in discussing "Personal Success Factors" before the women's quarter-million dollar round table.

"By this I mean much more than the kind of honesty which forbids the life underwriter to twist business, rebate commissions, or line his own purse at the expense of his client's interests. Our advice may decide the future of the entire family. Sometimes I am appalled at the responsibility we must assume: responsibility for the education of children, for the financial independence of widows, and often for the entire savings program of the client. They trust us implicitly, relying upon our counsel, and turning over to us their money without question.

"How may we merit such confidence? Surely by the most complete knowledge of our business that it is possible for us to obtain. This means constant study of insurance itself and of such inter-related subjects as banking, taxes, commercial law, and so forth. Nothing shakes the confidence of a client more quickly than an insecurity in the salesman which comes from lack of adequate preparation.

Can Develop Personal Qualities

"There are certain personal qualities which an underwriter needs for the efficient conduct of his business," Miss Rockwell said. "Fortunately, most of these may be developed. I think of accuracy; systematic procedure; attention to detail; the ability to plan, organize, direct, and execute; the ability to distinguish between the more and less important; the ability to speak interestingly and understandingly. We must fit our sales talks to our listeners. Some are allergic to figures; others demand them.

"An efficient underwriter must be willing to spend money to make money. By this I mean that intelligent spending for books, study courses, attendance at conventions, advertising, secretarial assistance, entertainment of clients and even for pure pleasure, can and should be made to pay dividends.

Time Control Greatest Problem

"I find the factor of time control my greatest problem. As my volume of business increases and its problems multiply, I am puzzled to set the proper proportion of time for service work, study,

preparation of cases, office detail, time in the field, and outside activities. Most of the office detail can and should be turned over to a personal secretary. A great deal of one's service work can be delegated to her. Efficient cooperation from the general office staff is also a great help.

"There are people who manage to attain a degree of efficiency in their business, but who, sooner or later, lost their momentum. Factors in maintaining efficiency seem to me to be: a buoyant spirit that keeps one from reacting unfavorably to disappointments; a devotion to this business of ours based upon a genuine liking for it and a realization of its importance; and a pride of accomplishment and an ambition which leads to an ever-enlarging success."

Personality Is Called Prime Factor in Success

Factors in success were analyzed by Dr. Pearl Thompson, St. Louis, on the women's program. In a review of the "Danforth Survey of Professional Practices" made by an efficiency expert she pointed out that knowledge, personality, contacts, leadership, lucky breaks and size and productivity of territory equal one's annual income. The Danforth formula weights these elements with personality the outstanding factor with 40 points, contacts with 12, knowledge 7 and the others less.

"Knowledge is most important because it is the foundation. Without it future training would be handicapped, mental attitude would be warped, contacts would

be limited, and leadership curtailed", Dr. Thompson said.

"Personality is made up of mental attitudes, physical vigor, objectiveness in thinking and satisfying the emotional wants in the people you contact.

"Mental attitude has greater influence on the factors of success than any other element of personality.

"A great many events which ordinarily are considered as 'breaks' are really the result of either training, objective thinking, fulfillment of the superiority want, or contacts. Practically 90 per cent of the so-called breaks in a man's life can be analyzed. The majority of professional men's 'lucky breaks' result from previously established contacts, together with leadership."



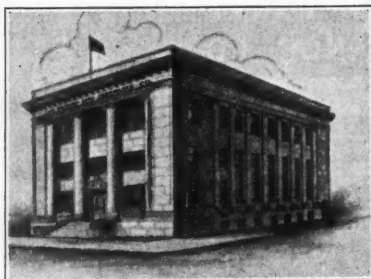
Greetings

NATIONAL ASSOCIATION

of

LIFE

UNDERWRITERS



KNOW THE STRENGTH OF VICTORY

Let us tell you about the strong financial position of The Victory Life and the attractive General Agency openings we have available in Missouri, Kansas, Nebraska and Texas. Write to E. E. Shurtleff, Assistant General Manager.

The **VICTORY**
Life Insurance Company
TOPEKA KANSAS

James A. Allen, Pres.

W. J. Bryden, Secy. & Gen. Mgr.

"TOPS" at Home

Faith in the Lamar Life has again been expressed by Mississippians, who have intimately known the management of the Company for 33 years.

The fact that for the eighth successive year The Lamar Life led all companies in its home State in volume of similar protection speaks for itself.

During the first half of 1939, insurance in force increased 179 per cent above the total increase made by the Company for the entire year of 1938.

We have some open territory for District Managers and Special Agents in:

ALABAMA
ARKANSAS

LOUISIANA
TENNESSEE

TEXAS



LAMAR LIFE INSURANCE
COMPANY

JACKSON, MISS.

SERVING HUMAN NEEDS SINCE 1906

PERSONAL COOPERATION



Because it limits its operations to a compact territory, American Union is better able to give close, personal cooperation to all of its agents—Home Office service to all.

Agency openings in Missouri
and Nebraska.



AMERICAN UNION
Life Insurance Company

SCHNEIDER BLDG., ST. JOSEPH, MO.

R. L. DOUGLAS, PRES.

Two Methods of Selling Prospect of Means Given

"Women are a comparatively new acquisition in the life insurance field like in so many other fields," Hermine Kuhn, Equitable Life Society, New York City, said. "While we have made very rapid strides, we have not hit the pace that men accomplish. We still have had very few women million-dollar producers, and, I think, one of the reasons that we have fallen down is because we have been afraid that the prospect of means is much more difficult for us to sell than the average policyholder. Why are we holding ourselves back from hitting the same stride as men do? There is no reason for it. And the quicker we realize that unless we solicit the prospect of means the sooner will we accomplish that purpose."

"Within the last two years I made up my mind that I was not going to overlook the prospect of means and I have found that after the first barrier, namely, the approach is broken down, he is a much easier prospect to talk to. So, one of the important factors is the reaching of the prospect of means."

"There are two methods I have used. One of them is the method of telephone approach. Of course, before this telephone approach is accomplished, I know definitely the man's income and, therefore, whether he falls under the qualifications of the prospect of wealth."

Handled Differently

"This prospect is to be handled slightly differently on the telephone than the other individual, because he has surrounded himself with various people who keep away any matters which they think are not of importance to him. Therefore, this approach or method must be worked out to the minutest detail to overcome the obstacles which this man has set in your path. As taxation has become one of the keenest problems for the prospect of wealth, income and inheritance, my approach is on that basis, and I have prepared catch phrases which will obtain the appointment so that I can approach this prospect. I call this the preliminary step."

"The other method which I have used and which is very similar to the first is after I have sold a man who falls in the above category, I ask this man to give me about 15 or 20 names of people whom he knows or deals with and would fall in his same class. I tell him openly that, under no circumstances, will I use his name unless he gives me permission to do so, and that I will approach them in the same manner as I reached him. But I have obtained the one key which, after all, is important to all of us, and that is that I know the man has money to buy. Whether there is a need for this man or whether I shall have to create this need, I shall have to find out."

Must Arouse Interest

"On this type of interview, the first few minutes we, in the life insurance field, are certainly on our mettle and our approach has to be first, interest rousing; secondly, we have to show that we have the knowledge of the business at our fingertips; and thirdly, we have to create confidence immediately. Therefore, we can't bluff in any way. We must prepare ourselves to obtain this knowledge and we must also keep up to date with all the changes and variations which are going on regarding laws of taxation. Many a door has been closed and many first few minutes have been wasted by us in the field because for some reason or other we did not hit the right keynote, for the man whom we were talking to. One of the most successful approaches I have used is as follows:

"Mr. Clark you probably know that a man's estate goes through three periods. The first period is the period where you,

yourself, are accumulating an estate and have to safeguard it during your own lifetime. Would you please briefly check back in your mind how much income you have earned in the last ten years, and what percentage of that income you have accumulated in your estate. Don't you think it has been a pretty hard job to accumulate money during the last 10 years? Maybe I am taking something for granted. I am talking now of the money which you have accumulated an outside estate? You will notice that I am trying as quickly as I possibly can to ask questions because I want this man to talk, and the more I can get him to talk, the quicker I will know what alley-way I should follow."

None Can Escape

"The second period, Mr. Clark, is the period which none of us can escape—when, unfortunately, you pass away and your executor (and by the way have you appointed an executor and have you

made a will) has to take our place to take care of the settlement of the estate. Mr. Clark, there are many ways in which during your own lifetime you can avoid (I did not say evade), or minimize, the outlay which your executor will have to meet."

"The third period is the period where your executor has been dismissed by the court and the affairs are turned over to your family and they will have to start to live on the income which the principal left to them will provide. Briefly in your mind, will you amortize the principal which you think you will leave your family at 3 per cent. But that is not the amount which your family will receive, because the law will step in and say to your executor: 'There are certain amounts of taxes to be paid on this estate,' and your executor will have to pay them. And if you have not stipulated in your will how he should pay these taxes, then he will have to apply to the surrogates' court for instructions. It is true that the law provides for certain exemptions. These exemptions are as follows:

"Your estate, consisting of real property, stocks, bonds or anything you may die possessed of, will be exempt in the amount of \$40,000. In addition to that

your estate will have an exemption of \$40,000 of life insurance made out to named beneficiaries."

"Up to the present, you, yourself, during your own lifetime, may make gifts up to \$40,000 and, in addition to that, you may make gifts up to \$4,000 each and every year, to as many individuals as you desire to give."

"Mr. Clark, may I ask you some questions in reference to your present estate set-up, because these questions will bring out very clearly whether your estate has been set-up to your and your family's greatest advantage so as to avoid, mitigate and save expenses?"

"Does your will or trust impose a double tax on any part of your property, life insurance or otherwise, before it is received by your children? Does your trust give your beneficiary a fixed income per year rather than just the income from the trust? Have you taken full advantage of the exemptions which I have explained to you, federal estate as well as state and gift tax? Under the provisions of your will or trust, would your executor be forced to sell any property, stocks or bonds or real estate at a loss in order to raise cash to pay such taxes and expenses? Has your financial

(Continued on page 30)

In the Public Eye—



During 1939 The Great-West Life is conducting a program of outdoor advertising in a large number of the principal cities in the United States and Canada. The above display is typical of the many attractive posters appearing during the summer season.

The GREAT-WEST LIFE ASSURANCE COMPANY
HEAD OFFICE

WINNIPEG

Business in Force, \$617,100,000

WHY CONTINENTAL AMERICAN?

Because Continental American is large enough for safety and small enough for service. Because it offers a full line of ten policies at preferred class rates (as well as the usual standard rate policies). Because of the unusual flexibility of its plans and features which protect the policyholder against an uncertain future. Because of the high protective value per premium dollar of the Company's low participating rate, its Term Additions plan, its "Business Policy," and other provisions. Because of the special security provided by the Family Income Policy which was originated by Continental American and which requires one of the lowest premium rates of any company.

Because its management is progressive and sales-minded, which makes the whole Company virtually an Agency Department and provides the Field Force with the most modern merchandising assistance and training. Because every real prospect is cared for in a full scale of preferred, standard, and four substandard classes. And because the agent who sells security to others gets it himself in the Company's exceptional retirement salary plan.

Continental American

LIFE INSURANCE COMPANY

Wilmington, Delaware

W. M. Rothaermel, Vice President

FOUR HUNDRED MILLION DOLLARS LIFE INSURANCE IN FORCE!

We announce with much pleasure and satisfaction that the Jefferson Standard has \$400,000,000 life insurance in force.

This important achievement takes its place in Jefferson Standard history as another in the long line of distinguished accomplishments.

We express our heartiest thanks to our field representatives who have contributed so loyally, and so splendidly to the progress of our great Company.

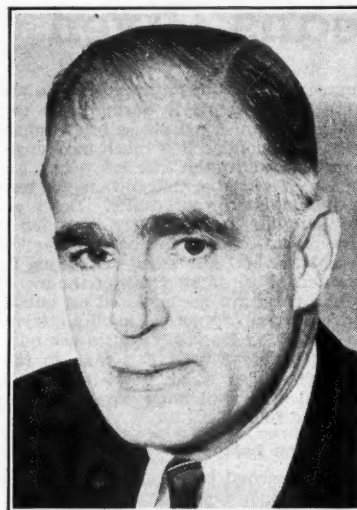
Heartiest greetings to the National Association of Life Underwriters on the occasion of the 50th anniversary of the organization.

JEFFERSON STANDARD LIFE INSURANCE COMPANY

Julian Price, President

Greensboro, N. C.

Million Dollar Round Table Chiefs



HENRY G. MOSLER, Los Angeles
Newly Elected Chairman



PAUL C. SANBORN, Boston
Retiring Chairman

Challenge to Agent To Provide Service Worth the Cost

The glare of the spotlight has been placed on acquisition cost and whether or not the agent is worth his keep, in the current government investigation of life insurance, Miss Beatrice Jones, Equitable Society supervisor in New York City, declared.

"The field force alone can provide the answer to the question, 'does life insurance cost as much as it does because of our presence in the sale?' The answer to the question is obviously 'yes.' But from another side comes the question, 'Does the job done by the agent justify that additional cost?' and that question is yours to answer."

Too Many Agents

Practically everyone is agreed that there are too many agents, Miss Jones said. She predicted that there will be "fewer and better agents in the future—and not so distant future—maybe next week—certainly next year. And how much will the field force be reduced? Well, there are approximately 2,000 women selling life insurance today. The number there will be a year from today—five years from today—may be determined by this formula: From 2,000 subtract the number that sell life insurance wholly from the commercial angle. From the balance subtract all those agents who are too lazy to work consistently. From the balance subtract all those who are ashamed of their job. That should leave you a balance who work with knowledge, sincerity and earnestness of purpose. And that will be the number of life insurance women of the future."

Three Requisites Outlined

Three requisites of a successful women agent were outlined by Miss Jones:

"1. A knowledge of life insurance—what it is and what it does. A broad enough knowledge to enable us to know accurately how the client's interests may best be served—and serving the client's interests means an insurance program that makes available to that client a complete use of the company's facilities for trusteeship and service, plus a thorough analysis and consideration of the client's purchasing power.

"2. A field force possessing the attitude of the professional as opposed to the commercial. And consider the implications of the professional pattern—the requisites of unquestioned integrity and

honesty with the prospect, the policyholder and yourself.

"3. A field force which serves the great insured and insurable public with justifiable pride, with joy in the actual work of selling life insurance and with a dignity that comes from remuneration in proper ratio to the ability and effort invested."

Must Provide For Own Security

"Security plays a tremendous part in the maintenance of our will to save," Miss Thelma Mills, University of Missouri director of women students, said on the women's program. Insecurity is characteristic of modern life. It has been a long time trend brought to a head by the prolonged business depression. The increased insecurity has made it necessary for a paternalistic government to step in and provide an economic security. However, paternalism corrodes freedom which in turn bogs down incentive and enterprise, Miss Mills said. Miss Mills is a staunch believer in saving now for old age, even though it may mean present self-denials. The thrift habit is encouraged far more by the satisfaction it affords than by any preachments or exhortations, she said.

Although there are possibilities to provide security by marriage, Miss Mills said, there is no certainty the prospective husband will hold his job and there is a great possibility something might happen to him. As a result the wise business woman is preparing for the future now, not by some Utopian plan but through a planned saving economy.

Prudential Superintendents Meet

The industrial department of Prudential had a gathering of 21 superintendents at the Coronado Monday with Assistant Secretary H. M. Stewart and Division Manager John Ray in charge.

The Columbian National Life delegation, headed by A. A. McFall, vice-president and manager of the agency department, and W. L. Beardslee, agency superintendent, will go to Kansas City, Saturday, for the 30th anniversary party of John F. Mullane, general agent there.

Walter M. Seitz, Chicago manager Kansas City Life, is attending his 17th National Association convention. He is a past president of the Florida association.

Extension of Associations' Activities Discussed

In the open forum discussions at the national council meeting, under the general theme of "N. A. L. U. in Action", many ways in which local associations can extend their activities, giving greater service both to the men in the business and the general public, were brought out.

EDUCATION

Ray Hodges, Ohio National Life, Cincinnati, briefly reviewed his report as chairman of the committee on education, bringing out the three objectives of education of the agent, the public, and in the schools, and asked for comments on educational work done by the various associations. P. O. Works, Rochester, N. Y.; H. G. Wischmeyer, Cleveland, and G. P. Smith, Boston, told of the courses conducted by the associations in their cities.

Leo Porter, Wichita, Kan., asked whether it is better to engage one man to conduct a course or have it handled by a number of men from the local association. The consensus of the replies seemed to be that the latter method is the better.

Another question asked was as to how much time the men who act as lecturers or instructors have to give to the work. Officials of various associations which have put on such courses gave their experience in that connection.

Work for Rural Agents

L. R. Nicholas of Jacksonville, Fla., said the objection had been raised that with so much material along that line being put out by the companies, it is difficult to line up enough men for an elementary course.

Alden Palmer of Indianapolis told of

the school for rural agents conducted at Purdue University. There were 83 enrolled, 72 took the examination and all but two passed. All those in attendance were so enthusiastic about it that they agreed to attend another similar course next year, which probably will continue for two weeks, the first week elementary and the second more advanced. These rural agents felt that they had been rather neglected, as they are unable to get the benefit of association meetings, sales congresses, etc., and welcomed such a move.

PUBLICITY

Vice-president C. J. Zimmerman conducted a round table discussion of ways and means of building a favorable attitude toward the agent through local association activities, particularly in the matter of publicity. He said that in connection with a course conducted recently in Minneapolis, at which he was a speaker, a local newspaper man wrote such a readable article on life insurance and its service that business men there asked for a series of such articles.

He suggested greater use of the news releases prepared by the National association, publicizing association activities, cooperation with chambers of commerce, Better Business Bureaus, etc., possible use of paid advertising and radio time, and use of the Institute of Life Insurance material, particularly the movie, "Yours Truly, Ed Graham".

H. H. McBratney of Philadelphia told of some of the activities there, particularly the meeting addressed by Senator Taft, calculated to attract the buying public. He urged that the publicity chairman be a man who has contact with

the city editors and suggested activity in civic affairs. He said the association meets in the most prominent hotel, where the opportunities for publicity are greater.

Traffic Safety Work

R. L. Thompson of Dallas described the work done there toward promoting traffic safety. A booklet giving the proper driving signals is distributed to boys and girls and of course gets a favorable reception in the home.

A. Walton Litz of Nashville, Tenn., said the trust companies there, which have been featuring life insurance in their "ads", have now bought radio time, which is to be turned over to the association for 13 weeks. Leaflets have been sent out, encouraging the public to send in questions which will be answered in these broadcasts.

The experience in Kansas City with radio and also the weekly column in the Kansas City "Star" was described.

Miss Joy Luidens, executive secretary Chicago association, told of the use of the membership roster there, and said some agents are using their membership cards to give them a better introduction to prospects. She told of cooperation with the Better Business Bureau and how through contact with P. T. A. officials she had been able to dissipate the idea that the speakers which the association offered through its speakers' bureau were to be used for propaganda purposes. She said the association plans to put an advertisement in the classified telephone directory, advising people not to pay for information about their policies.

STATE ASSOCIATIONS

The discussion on strengthening the performance of the state association and improving its service to the local association was in charge of W. H. Andrews, Greensboro, N. C., national trustee and chairman of the committee on state and

(Continued on page 32)

Stresses Retirement Income For Women

In selling retirement income Lillian Joseph, New York City Home Life of New York agent, bases her approach on the suggestion "that the average business woman pension herself by depositing each week from her salary a few dollars with me, which would enable her to retire at the desired age. The retirement income contract is a self-completing plan and becomes indeed a boon to her at the retirement age."

She said in speaking to the women's quarter million dollar round table:

"With everybody in the world today growing topsy turvy, there is more need than ever for security, and perhaps one can improve the deflated state of a woman's purse as well as her state of mind."

Likes to Help Others

"I have always had a feeling that I would like to do for others, and that is how and why I entered this business a little more than seven years ago."

"I like people and really am sufficiently interested in them to be able to solve their problems of life. Their joys are mine and their sorrows weigh heavily on my heart. I can give women service—service to aid them in distress. I cannot be a physician nor can I be a minister, but I can free them from mental worry with a dire need of preventive—a plan for living, that I personally feel is greater than a doctor offering medication, or a minister offering peace for the soul. I can rebuild their lives, helping them to build plans through happiness, contentment, and peace of mind."

"The selling of retirement income has not only become my profession, but also my obsession; in fact, it is my life's work and now it has become my religion."

DURING THE FIRST *Eight* MONTHS of 1939

We again made a substantial gain in business in force

Which means that Commonwealth agents are earning more money. This speaks well for Commonwealth's

Cordial Cooperation.

Our present program calls for a more intensive development of the states of OHIO and INDIANA, through the medium of State Supervisors. A splendid opportunity for the right man.

For Further Information Write I. Smith Homans, Exec. Vice-Pres.

Commonwealth Life Insurance Company

HOME OFFICE: LOUISVILLE, KENTUCKY



WE PURSUE OUR COURSE

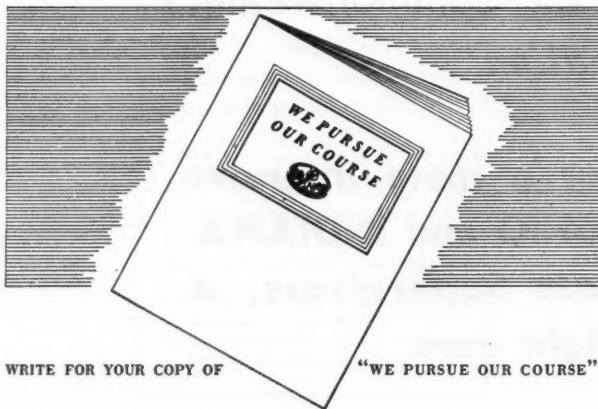


THE FIRST HOME OFFICE (1845) WAS ON THIS STREET

LIFE INSURANCE is not all figures and tables and rate books. There are differences in companies and contracts and the differences lie mainly in principles and practices. Mutual Benefit principles of justice and equity are a great heritage from that group of men who, one day in 1845, banded together to form their own life insurance company and called it "Mutual Benefit." Each continuing administration of the Company has adhered to those principles and wherever possible has by contract or practice broadened their application.

By steadfastly pursuing its course of true mutuality, the Mutual Benefit today stands first in liberality on such matters as non-forfeiture values (available in a majority of cases, the FIRST YEAR), low surrender charges, retroaction, settlement option provisions and service, and other provisions and practices favorable to the insured. These things, to the Mutual Benefit's way of thinking, embody and protect the just and equitable rights of policyholders.

The story of how the Mutual Benefit grew to tenth in size among life insurance companies and first in the hearts of its policyholders—how it earned the right to be known as "The Policyholders' Company"—is told briefly and interestingly in the pocket-size booklet, "We Pursue Our Course." Ask for a copy.



WRITE FOR YOUR COPY OF

"WE PURSUE OUR COURSE"

**THE MUTUAL BENEFIT LIFE
INSURANCE COMPANY**

HOME OFFICE: NEWARK, N. J.

RE - ASSURANCE



It's a reassuring fact to Great American Life salesmen in the field to k-n-o-w that

- ... Their efforts with this company are being appraised by home office executives who are salesminded.
- ... The home office staff has intimate knowledge of conditions in the field through actual working experience.
- ... The management has always directed financial policies to assure Great American Life men they are selling the soundest possible insurance values . . . in the form of truly "saleable" contracts.

GREETINGS —
to the N. A. L. U. Conven-
tion in St. Louis for the
50th Anniversary



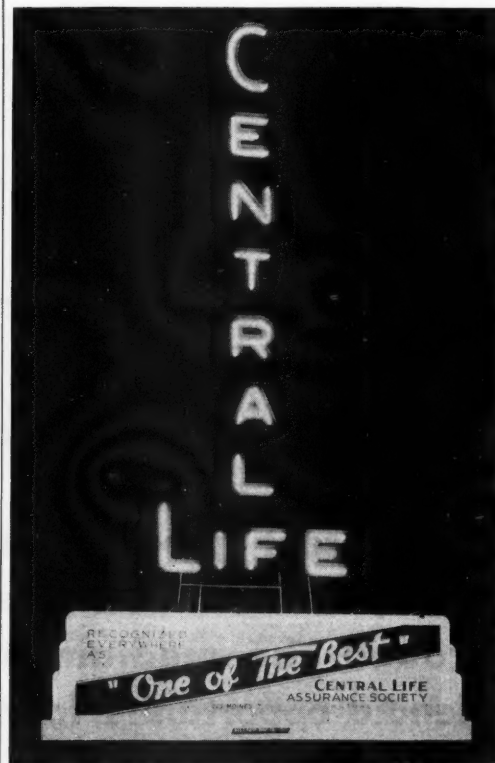
**THE
GREAT
AMERICAN
LIFE INSURANCE COMPANY**
HUTCHINSON :: KANSAS

WILL S. THOMPSON, President

The
SIGN
of
SECURITY

Greetings

**N
A
L
U**



A reproduction of the 84-foot neon tower signs
erected on highways approaching Des Moines.

**CENTRAL LIFE
ASSURANCE SOCIETY (Mutual)**
DES MOINES IOWA

Pioneering C. L. U. Spirit Is Lauded

(Continued from page 7)

its servants apart from other men. It shares all of the attributes, the duties, the nobleness of a profession. It fulfills a spiritual and physical human need, it is an enduring institution whose goal is beyond that of monetary gain. Through long and unselfish service to humanity men have come to recognize these factors and they turn to it with complete confidence, knowing that its ethics permit service and protection alone, not exploitation. If a profession is something that serves a primary need of civilized man, if it has an unchangeable code of ethics to which its members adhere, if it involves the ability that only years of experience and training can produce—then life insurance is indeed a profession. And, as Pliny said, 'honor is to us as strong an obligation as necessity is to others.'

Affords Great Security

"Much of the professional aspect that life insurance has taken on is due to the security which it affords. Men have seen it weather the winds of war and pestilence, of depression and financial adversity—they have seen it steadfast in a time of disaster. It has been a great rock upon which to found their homes and business, it stands as a sure foundation in an uncertain world and they are duly appreciative. They are aware that any business that provides men trained to protect their financial welfare gradually loses its aspects of commercialism and assumes those of a profession. These men will soon realize that you are the best trained and most fit men and women to handle many of their financial problems with professional ability and dispatch. They will realize, I believe, that you adhere to a code as strict as that of Hippocrates and that obligation and honor are virtues you

cherish beyond the desire to add to your worldly goods.

Holds Together Strands

"During the trying days that this nation has recently encountered, life insurance has been foremost in holding together the strands of society. It has paid out billions of dollars to relieve the bitter tooth of want—its contributions to America have been enormous indeed. But the actual cash value is not the only benefit that the country has derived from our profession. There have been important gifts notably in cultivating the habit of saving and the virtue of thrift with the attendant confidence and self-reliance that springs from economic independence.

"Other gifts of life insurance are still being utilized by America. Much of the capital, without which business would cease to exist, comes from the funds of life insurance companies. Today, in New York City is arising the greatest better-housing project in America—it is being built by a life insurance company. Here is a typical union of social and commercial betterment that is an everyday function of your profession.

Preserves the Family

"Your studies have made you more capable of being proud when you think of the part life insurance has played in the national development of this country, in the welfare of its citizens. It has preserved the family as an institution, it has protected industry and through its investments it has helped this nation attain its preeminence among the countries of the world.

"Because you have entered this select group, your opportunities are expanded. I have pointed out the professional qualities inherent in our business; you, as C. L. U.'s, have the greatest opportunity to take advantage of them. The fact that you have studied and successfully passed difficult examinations demonstrates, indubitably, that you have ability. You have approached this business

with a professional viewpoint—you have conquered the first part of it in this light. I admire you for this achievement, but your task is only begun. The most important part now lies before you—the most important both to you and to the public.

Make Practices Professional

"Now that you have proved that your abilities are professional and that your belief in this business is founded on certain professional qualities inherent within it, you must go forth and make your business practices professional. In this way alone can you hope for the true measure of success that is your due.

"You must carry the knowledge and wisdom that you possess so that their influence is exerted throughout your every business contact. It is your duty to bring its benefits to clients so that it may help them while it is increasing your own prestige as well as that of the institution you represent. In accomplishing this duty, you will greatly add to your own influence and sales ability, but that is of secondary importance. The fact that you have realized the professional importance of life insurance and of your training, the fact that you act in a professional capacity while selling life insurance—that is vital. Through this you will establish yourself and life insurance upon an even firmer foundation. You will thus extend its security and protection to still greater numbers of your fellow citizens.

Produce Salesmen to Serve

"For many years men both within and without the business of life insurance have asked whether life insurance could produce salesmen who could serve their clients thoroughly.

"As a member of the bar, I see in you the answer to those questions. I see you already possessed of the knowledge required to deal adequately with the problems which life insurance is uniquely equipped to handle. I see you using that knowledge to acquire skill and wisdom

with which to solve the problems of your clients.

"You cannot—you must not fail to make that vision come true—and as you do, you will give the answers to those questions which have been asked these many years—you are the flowering of those hopes which have remained in the minds of a faithful few.

Has Been Taught Code

"The C. L. U. is indeed among the best equipped men in life insurance to take advantage of its professional qualities. He has been given the training—he has been taught the code—he knows his duty. He is fitted to aid men so that they may not be afraid when—in the words of Alexander Pope—'age and want sit smiling by the gate.' He must use the knowledge that he has obtained in a professional manner. He must carry this knowledge beyond the stage of selling—it must extend to that service. Continual and capable service is expected of the life insurance agent—as it is expected of the practitioner of any profession.

"I think that the time is coming when the life insurance agent will act in the capacity of a counselor to his clients. Is it a better plan to serve completely the needs of fewer clients rather than to handle partially some fragments of the life plans of many? You have been trained in the tradition—be quick to take advantage of opportunities for service that will bring you to higher levels than you have dreamed.

Skill Must Be Used

"Besides the use of knowledge, there is that of skill which must be used at all times to the advantage of the client both at the time of the sale and throughout the life of the policy. Then there is the final intangible that makes the combination a success—the motivating influence of the professional man. It is an influence that is stronger than the search for necessities and that is greater than the urge for fame. It is the very essence

(Continued on page 27)

LIFE INSURANCE COMPANIES ARE BUILT ON THEIR AGENTS

Since the beginning of life insurance, the success of companies has been measured by the success of their agents. When properly trained, the agent is the company's base, its foundation.

Members of the N. A. L. U. now in session at their golden anniversary convention have proven this fact.

Congratulations and Best Wishes

N. A. L. U. MEMBERS

MIDLAND LIFE INSURANCE CO.
KANSAS CITY

DANIEL BOONE

MISSOURI

PRESIDENT

"We Started to Grow 30 Years Ago"

WELCOME N.A.L.U. TO OLD MISSOURI

and Greetings from Kansas City, Missouri

<p>J. FRANK TROTTER <i>Manager</i></p> <p>•</p> <p>THE MUTUAL LIFE OF NEW YORK</p> <p>An Aggressive Agency With Experienced Staff for Western Missouri and Eastern Kansas</p> <p>•</p> <p>Fairfax Bldg., 101 W. 11th St.</p>	<p>CHARLES L. SCOTT <i>General Agent</i></p> <p>•</p> <p>MASSACHUSETTS MUTUAL LIFE INSURANCE CO.</p> <p>•</p> <p>Suite 608 Midland Building</p>	<p>SAM C. PEARSON <i>General Agent</i></p> <p>•</p> <p>THE NORTHWESTERN MUTUAL LIFE INS. CO.</p> <p>•</p> <p>Twelfth Floor, R. A. Long Bldg.</p>
<p>EDWARD G. MURA <i>General Agent</i></p> <p>NEW ENGLAND MUTUAL LIFE INSURANCE CO.</p> <p>1204 Bryant Building</p>	<p>ROBERT J. COSTIGAN <i>Missouri Branch Manager</i></p> <p>BUSINESS MEN'S ASSURANCE COMPANY</p> <p>230 B. M. A. Bldg.</p>	<p>HERBERT A. HEDGES <i>General Agent</i></p> <p>EQUITABLE LIFE INSURANCE CO. OF IOWA (Since 1867)</p> <p>Suite 640-50 Board of Trade Building</p>
<p>E. A. HASEK <i>General Agent</i></p> <p>•</p> <p>NATIONAL LIFE INSURANCE COMPANY OF VERMONT</p> <p>•</p> <p>23rd Floor, Bryant Bldg.</p>	<p>Wayne Clover and Associates</p> <p>THE PENN MUTUAL LIFE INSURANCE CO. (Established 1847)</p> <p>2107 Bryant Building</p>	<p>KANSAS CITY AGENCY</p> <p>KANSAS CITY LIFE INS. CO.</p> <p>UNIVERSITY CLUB BLDG. 914 Baltimore Ave.</p>

Picture of Woman Policyholder Is Given by Mrs. Allin

A picture of the economic status of the average woman policyholder, her purposes and methods of buying and what she thinks of life insurance and methods of selling it, was secured by Mrs. Martha W. Allin, Connecticut Mutual Life, Minneapolis, in a survey she conducted with the cooperation of the women branches of the National association. In her absence her findings were presented by Margaret S. Coons of St. Louis.

Of those answering the questionnaire 53 per cent were over 40, 14 per cent from 20 to 30, 23 per cent from 30 to 40, 30 per cent 40 to 50 and 23 per cent over 50.

Income Figures Analyzed

The income level ran from no income to \$30,000 per year, but 47 per cent earned under \$2,000 per year. "This is in line with the income figures of the general population and suggests that if we write women exclusively (or even mainly) we will have to put up with much smaller production levels than as if we diversify more and write men also," Mrs. Allin pointed out.

Only 13.8 per cent of our women had incomes of \$3,000 or over and only 8 per cent admitted an interest in tax advantages. One group of even larger income business women and housewives bought for security as much as for tax purposes.

Almost half of the group were business women; 20 per cent were married but only 12 per cent listed themselves as housewives; 30 per cent were professional. Although 20 per cent were married, only 4 per cent admitted being influenced toward their purchase of life insurance by husbands, seven per cent bought because friends or business associates had recently bought. "If you follow up the associates of your new policyholder, you have almost twice as good a chance of a sale as you do of persuading a man to influence his wife to buy," Mrs. Allin observed.

Only Half Solicited

Almost half of these women had been solicited "persistently" or "frequently" (10 per cent and 38.9 per cent respectively). That leaves 37.5 per cent who answered "seldom" or "not at all" while 13.6 per cent did not answer. There were 41 per cent who said they had instigated the purchase.

"Now how does the agent stand? Does she need a recommendation? Apparently not, if she can create interest and confidence by her manner or her reputation. Only 24 per cent said the agent was recommended but 75 per cent bought 'because of confidence in the agent'. This was a fraction more than those whose choice was influenced by company stability. To many of our customers we are just as important as the company. Only 58.3 per cent agreed we had made convincing presentations; 43.7 per cent said 'no' or did not answer. In general, our customers are not highly impressed by our efforts to sell them."

Advertising Not Influential

Only 2.7 per cent believed they had been influenced by advertisements or magazine articles while 69 per cent wrote "no" on this question instead of just leaving it blank. Mrs. Allin questioned whether advertising men are directing enough of their skill and attention to the woman's market. "It is a growing market. The women in the home is particularly an element we have not reached. What can you do to help us?"

"Half our women customers do not buy to protect dependents. This means that if we sell to women exclusively or even primarily, we have, far more than the men underwriters, the demand for retirement annuities without insurance. Unless we can persuade the customer that the contract with insurance is more desirable, we (more than those who write men prospects) must face the reduced

company credit and commission incident to the writing of retirement annuities. Some will meet this situation with more pressure selling on the retirement income with insurance, some by not confining their prospect list to women when there is a 50 per cent chance of there being no dependents. It is a problem that we have as women underwriters working with women prospects," Mrs. Allin said.

Only One Business Case

Of those women who buy for dependents 43 per cent bought for parents, only 27 per cent for children, 16 per cent for sisters, only 5 per cent for brothers, 5 per cent for nephews and nieces and 4 per cent for husbands. "Only one case of business insurance turned up. Are we asleep? Have we allowed women owners of business property to be uninformed as to good business practice or is it a case of women responding to personal appeals when they will not to business considerations?" Mrs. Allin asked.

"Women are much more interested in systematic savings (57.9 per cent) than in the element of compulsion. Only 32 per cent appreciated this latter factor. There were 42 per cent looking for investment values but 60 per cent bought 'to guarantee safety' and 68 per cent for future income. This latter was the strongest motive working toward the purchase of life insurance.

"To summarize: The woman prospect had a moderately low income, has only even chances of having dependents, buys primarily for security of future income for herself. Many women are seldom or never solicited, and are comparatively untouched by the pleas of the advertisers or the action of friends, husbands or business associates. The agent need not be recommended, but must command confidence, and the agent is just as important as the company reputation in accomplishing the sale."

Great Southern's Three Millionaires

The Great Southern Life was the only company west of the Mississippi that had three members of the Million Dollar Round Table this year. Tom B. Reed of Oklahoma City and Carey Selph of Houston attended the St. Louis meeting. O. S. Carlton, Jr., of Houston, the third qualifier, was unable to attend on account of illness in his family. All three started with the Great Southern and never have been with any other company.

Ohio State Life Luncheon

Claris Adams, president, and Frank L. Barnes, vice-president, Ohio State Life, who arrived Wednesday morning, were honor guests at a luncheon Thursday of the St. Louis agency, headed by John L. Kelly.

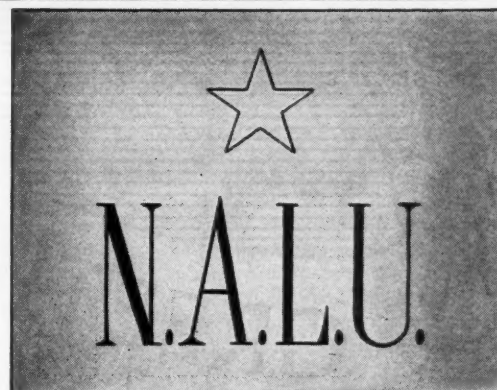
The booklet containing the story of Charles T. Davies, million-dollar policyholder of Wyomissing, Pa., speaker before the Million-Dollar Round Table Tuesday, which was published by the Diamond Life Bulletins of The National Underwriter, already has had a circulation of more than 35,000 copies.

Karl B. Korrad, vice-president, Illinois Bankers Life, arrived in time for the regular convention sessions.

Frank Matre, of Alfred M. Best Co., distributed complimentary copies of the St. Louis "Globe-Democrat" to the hotel rooms early in the morning.

Meyer Harrison, former Denver general agent of the Penn Mutual Life, is one of the honor guests who were in the business 50 years ago.

Boston has nine attending the convention. In the delegation is J. S. Braunig, Massachusetts Mutual general agent, who was formerly located in St. Louis with the Lincoln National.



Greetings
from

The LONE STAR STATE

THE O. SAM CUMMINGS AGENCY

State Managers for Texas

KANSAS CITY LIFE INSURANCE CO.

Cummings Agency Bldg.

Dallas

JOS. S. SMITH

General Agent and Associates

AETNA LIFE INSURANCE CO.

3019-23 Gulf Building

Houston

E. F. WHITE

General Agent

Connecticut Mutual

Life Insurance Company

1006-07 Republic Bank Bldg.

Dallas

G. A. DAVENPORT

General Agent

JOHN HANCOCK

MUTUAL LIFE INS. CO.

604 Milam Building
San Antonio

MORRIS BROWNLEE

General Agent

STATE MUTUAL LIFE ASSURANCE CO.

OF WORCESTER, MASS.

502 Second National Bank Bldg.

Houston

G. ARCHIE HELLAND

General Agent

CONNECTICUT MUTUAL LIFE INSURANCE CO.

209 Frost National Bank
Building

San Antonio

WILLIAM HARRISON

General Agent

UNION CENTRAL LIFE INSURANCE CO.

812 Esperson Building

Houston

B. A. WEIDERMANN

Manager

UNION CENTRAL LIFE INSURANCE CO.

1420 Alamo National Bank
Building

San Antonio

GREETINGS to ST. LOUIS from NEW YORK GENERAL AGENTS and MANAGERS



CLIFFORD L. McMILLEN
GENERAL AGENT

K. A. LUTHER

General Agent

Aetna Life Insurance Company

Lincoln Building 60 East 42nd Street

New York

Murray Hill 2-0200

DOWNTOWN AGENCY
**THE PRUDENTIAL
INSURANCE COMPANY
OF AMERICA**

Gerald A. Eubank, Manager
40th Floor - 40 Wall Street

New York

**J. ELLIOTT HALL
AGENCY**

The Penn Mutual Life Co.
30 CHURCH STREET
NEW YORK CITY



SAINT LOUIS

Pioneering C. L. U. Spirit Is Lauded

(Continued from page 19)

of professionalism. It is a quality of which Jeremy Collier says—"What can be more honorable than to have courage enough to execute the commands of reason and conscience—to maintain the dignity of our nature and of the station assigned to us?"

"There is another charge which you must accept—as our influence increases so must your understanding and your desire to help your fellow agents. The charge of the C. L. U. specifically instructs him to be helpful to those of his profession who lack the training and knowledge he has obtained. I am sure that all of you will be willing to have the benefits that are ours so that others, less fortunate, may partake of your ideals and look to you as leaders and as generous men.

Can't Overstate Value

"There is no overstating the value of a capable agent—he is the keystone of this business. It has been proven in this country long since that his place is not to be taken by advertisements, sales promotion or by the radio. Business existed for years without these aids and could do so again. But on the basis of which we are speaking today, the agent is the vital factor in the relation between producer and consumer. And the better the agent the firmer the relationship—the more respect is to be commanded from the public.

"Those who question the indispensability of the agent do so largely, I believe, because of agency practices which are entirely foreign to those which could conceivably be considered professional. That the public could receive from life insurance, without the agent, the benefits which you render is as unthinkable as that we could survive as an institution without reference to the laws of mortality or of interest.

Spearhead of Great Movement

"The life insurance business is doing more each year to improve its personnel and thus its service to America. You are the highest example of that effort—but you are not the only one. You are but the spearhead of a great movement that is transforming the institution of life insurance. Every day more progress is being made—more change is seen. Companies are improving their policies, their protection, their service—but more than that, they are consistently selecting better men for that important relationship with the public. Today the methods of the life insurance companies in selecting their agents have a scientific basis which is a worthy forerunner to the later professional activities of those men and women so selected.

Improvement Continues

"But the improvement does not stop at selection—it continues as long as the agent remains in business. He is taught how to sell, naturally, but he is also taught how to sell intelligently. Increasingly, he is instilled with the idea of service—not pressure; he is imbued with the ideal of counselorship—not volume of sales alone. He is taught how to plan for each man the proper amount of life insurance adequately to cover his needs without being a financial burden. He is proud of his work as a financial advisor as a member of society. He has much reason to be proud.

"He has been trained—as all who have a share in our business are being trained—to be of service to the client, to preserve society, to create an estate for men.

"You stand on the highest pinnacle of this training and, therefore, more is expected of you than of the others. You must be golden links not only because this is the golden anniversary of life underwriting but you must be the medium between your profession and the public—you must raise the esteem of one

and the fortunes of another. Abraham Lincoln might well have been thinking of life insurance and the life insurance agent when he said—"With public sentiment, nothing can fail—without it, nothing can succeed."

Hold Responsibility

"It is my contention that you, as the new representatives of a picked body of agents, hold this responsibility directly in your hands. More of the future position of life insurance depends directly upon you than you realize. It is you who, recognizing the professional character of life insurance, must show it to the people of this country so that they may grasp its full significance. You must constantly be alert to improve the existing relations between your clients and your institution—you must be prepared to accept the responsibilities as well as the honor of this designation. There are those who believe that a life insurance salesman simply cannot achieve a professional relationship to his present or prospective policyholders. I am not one of these. But until the advent of the American College of Life Underwriters, little institutional effort to put life insurance selling on a professional basis had been made. Today, the change is under way. You are a part of a movement whose force is overwhelming. As you contribute to it, so will you benefit from it, not only on the levels of financial or other tangible rewards, but on those higher levels to which American business must and can and will rise. Significant not only to yourself and to the life insurance business but to our American form of business enterprise, is your position as C. L. U's.

Give Best Today

"The soundest, safest remedy for those who are troubled by doubts, by losing the moorings to which they have previously been tied, is to give the best that is in them to the problems of today—not next year or the year after. As you and I solve these problems, we shall be happier and better men and women. Furthermore, if we are so fortunate as to be in a business or a profession which aids others to solve their problems, so much more is the extent of our salutary influence. And so, may each day find you solving, both for yourselves and for those whom you serve, those problems in daily living which no business, no profession, save our own can solve. The accumulated influence of those solutions will genuinely help our individual and collective sense of security.

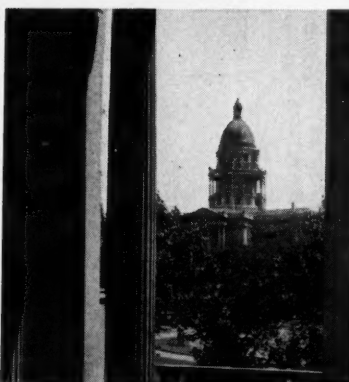
Stand on Threshold

"I know that mankind has a bright and noble future and that we stand but on the threshold of miraculous things. In 50 years, when the casket that has at this meeting been sealed has at last been opened, men will have some small realization of all the wonders of which we dream. And at that time I am fully confident that life insurance will still occupy the sovereign place it now holds in the minds of men—that it will still be a mighty bulwark and defense—and although adversity still exists in that dim time, it shall yet be the massive rock upon which men may found a secure estate.

"We have spoken of the C. L. U.'s as pioneers. Even more should we speak of those who founded this college as pioneers. They had the vision which the skeptics said was impossible of achievement. They carried the fire which burns through the darkest night.

"Among those original men of vision, one has been preeminent. Steadfastly has he labored—prodigally has he given of himself—and always with the bearing of one bent on a mission from which nothing earthly can turn him. Truly has he lifted life insurance selling to a position never previously approached. He has done more for the men and women who sell life insurance, more for the public which is served by them, than any living man. Behind this institution of the new life insurance stands Solomon Huebner, a great pioneer."

DENVER sends GREETINGS



N. A. L. U.

We managers and general agents of Denver extend greetings to those in attendance at St. Louis, Mo., for the 50th Anniversary Convention of the National Association of Life Underwriters. It is our wish that this year's convention will be the greatest in the organization's history.

Left: Colorado State Capitol

Below: Denver's Renowned Civic Center.

ISADORE SAMUELS

General Agent

Colorado and Wyoming

NEW ENGLAND MUTUAL LIFE

INSURANCE COMPANY
OF BOSTON

(Chartered 1835)

First National Bank Bldg.

Glen A. McTaggart, C. L. U.

Manager

Colorado, Wyoming and New Mexico

THE PRUDENTIAL INSURANCE
COMPANY OF AMERICA

Home Office—Newark, N. J.

615 Equitable Building

H. ALLEN NYE

Agency Manager

Colorado and Wyoming

THE EQUITABLE LIFE
ASSURANCE SOCIETY
OF THE UNITED STATES

6th Floor Security Bldg.

J. Stanley Edwards

General Agent

The Rocky Mountain Agency

AETNA LIFE INSURANCE COMPANY

Patterson Building

THE UNION CENTRAL LIFE INSURANCE COMPANY

Rocky Mountain Department

JOHN O. ANDREWS

Manager

310 U. S. National Bank Bldg.

E. L. METCALFE

Manager

STANDART & MAIN

General Agents

NATIONAL LIFE
INSURANCE COMPANY
HOME OFFICE
MONTPELIER
VERMONT
ESTABLISHED 1850

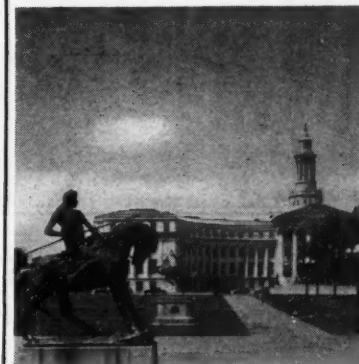
PATTERSON BUILDING

Arthur K. Underwood, C. L. U.

General Agent

THE LINCOLN NATIONAL LIFE
INSURANCE COMPANY

632 U. S. National Bank Bldg.





ONE LA SALLE STREET BUILDING

An Address of National Prestige

Rates and Floor Plans on Request

L. J. SHERIDAN & CO., Agents One La Salle Street, Chicago

OUTSTANDING ONE LA SALLE

The Life Insurance

Business is Down to **BUSINESS!**

Business has gotten down to business! Proof? Look at the financial pages of your newspaper today!

Yes, business is staging a comeback. And that means that life insurance men can swim *with* the current for the first time in a decade.

We're keyed for these increased opportunities. You can count on us for fast, intelligent aid in life insurance case planning and presentations. Try us!

E. W. HUGHES

General Agent

Massachusetts Mutual Life Insurance Co.
Suite 1616, One N. La Salle St. **CHICAGO**

TELEPHONE STATE 3378

**ROCKWOOD
S. EDWARDS**

One La Salle Street
Suite 1914



General Agent

**AETNA LIFE
INSURANCE
COMPANY**
CHICAGO, ILL.

Charles J.

ZIMMERMAN

Agency

**THE CONNECTICUT
MUTUAL LIFE
INSURANCE CO.**

Tel. Central 5700

One La Salle Street, Chicago

John Hancock
MUTUAL
LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS

WILLIAM M. HOUZE
GENERAL AGENT

One La Salle Street Building

Telephone: Randolph 9336
CHICAGO, ILL.

AGENCIES LOCATED IN STREET BUILDING

Center of Chicago

ONE LA SALLE STREET BUILDING is the recognized Life Insurance Center of Chicago. Twenty-four life insurance companies occupy office space in this modern up-to-date, forty-seven story building, located at La Salle and Madison Streets.

The General Agents and managers with offices at One La Salle Street whose names appear here have unequalled facilities for handling all life insurance business. Brokers will find prompt and unusual service on brokerage business at these offices. Men who desire to become Life Underwriters and connect with well established organizations that will give helpful aid will find an opportunity awaits them.

Here are some of the most progressive and modern producing organizations offering the finest service on life insurance to be found anywhere in the country.

FREEMAN J. WOOD

GENERAL AGENT

Lincoln National Life Insurance Co.



18th FLOOR

ONE NORTH LA SALLE ST.

Telephone Central 1393

THE A. R. HOULE AGENCY

OF

MASSACHUSETTS MUTUAL LIFE INS. CO.

OFFERS PERSONALIZED SERVICE

IN

ESTATE PLANNING

PROGRAMMING

BUSINESS INSURANCE

Telephone Andover 1820

SUITE 3200

ONE NO. LA SALLE ST.

BERKSHIRE

Life Insurance Co.

PITTSFIELD, MASS.

Inc. 1851

★

Byron C. Howes

General Agent for Illinois

One La Salle Street Bldg.,

Chicago

Phone Randolph 2224

An Agency with a soul—permeated with an atmosphere of congeniality and the will to do.

MARC A. LAW

General Agent

★

NATIONAL LIFE
INSURANCE COMPANY

Home Office MONTPELIER VERMONT

Purely Mutual—Established 1850

★

Telephone Central 2500

1835 One North La Salle St.

STUMES & LOEB

GENERAL AGENTS

The Penn Mutual Life Insurance Co.

SUITE 1525

ONE LA SALLE STREET BUILDING, CHICAGO, ILL.

Telephone Randolph 0560

★

An Agency Especially Equipped to Educate
and Develop Steady Producers

93 YEARS of DEPENDABLE PERFORMANCE



KEEPING THEM SOLD

To help keep policyholders sold on their life insurance is the purpose of Connecticut Mutual's new illustrated policy jackets covering the principal needs.

THESE JACKETS

- by visualizing the need which the policy meets,
- by clearly showing the place of a particular policy in a man's program,
- by forcefully bringing out the fact that in event of lapse a man is not just "lapsing \$5,000" of insurance, but taking away vital income from his family or allowing some other need to become unfilled,
- help the life insurance man keep his policyholders sold.

CONNECTICUT MUTUAL
LIFE INSURANCE COMPANY • HARTFORD



Top row—James E. Rutherford, Penn Mutual, Des Moines; J. D. Mills, vice-president Central States Life; Dallas Alderman, vice-president Kansas City Life; J. C. Hardin, Kansas City Life, Roanoke, Va.; C. W. Fisher, Kansas City Life, St. Louis.

Second row—N. B. Maddox, Connecticut Mutual, Atlanta; Alvin Moser, Aetna Life, Milwaukee; David McCahan, dean American College.

Two Methods of Selling Prospect

(Continued from page 15)

condition or your family relationship changed since the date of your will or your trust agreement? Have you appointed a co-trustee in your will and your trust agreement?

"Are you certain that your executor will not have to include property which you do not consider at the present time as part of your estate? Does your will provide that the federal estate and state tax be paid from your general or from your life insurance proceeds?"

"This approach has opened many doors for me. But after the approach comes our most difficult problem, namely, finding the need for our product. And, therefore, it is very important and almost, I would say, the making of the sale, to obtain as much information as we can about this man's set-up. If you have instilled in your interview the confidence which you should, then there will not be any difficulty in obtaining as much information as you need. Because, naturally, I ask for the man's policies, and in very rare occasions has the man these policies in his office, which necessitates a second interview.

"Remember that my approach is on service of this man's life insurance estate regarding his taxation problems, and here is where so many of us fall down because we try to let our instinct for selling get ahead of us. Let us put ourselves in the background, remembering at all times that we are there to give this man service and service plus. The selling of your product will come along the natural way if you follow this system.

Data Which Is Obtained

"The information and data which I obtain from this man is as follows:

"I ask for a copy of his will and his wife's will. If he has a trust agreement with a bank, I also ask for that. His entire insurance estate set-up. The type of stocks, bonds or any other property which he as well as his wife owns and whether it is owned by joint tenancy. His income from business or his position; his income from stocks and bonds;

the income which his wife receives or income which his children may have.

"I also want to get the family background: What type of living standard he has established for his family, because I may need that information later on in my sale. The ages of his wife and children. Whether they have had a college education or whether he expects to give them a college education. Whether anybody else besides his family are dependent upon him. Whether he has made any gifts under his gift tax exemptions and when they were made. Whether any member of the family is in ill health.

"The more, in this interview, you are able to get the man to talk about himself and his family, the better your chance will be to sell in your next interview.

"Now we are ready to prepare our outline and work out the objective which the man wishes to obtain for himself and his family. Here, again, we have to be extremely careful because, unless we work out this outline to the minutest detail, the man may lose the confidence which we have established. From this point on he may ask advice from his lawyer or other individuals in our line and, if every fact and every statement is proven correct, you will not have to worry about anybody taking away your sale.

"Let us remember that we are offering service to this man, that our sale must be made in the most unobtrusive manner and in such a way that the man, during your interview, is actually selling himself. One of the phases which I have found very successful and which prove to the man conclusively that my principal objective is not selling but service, is that I never go ahead and show the man the outline which I have prepared for his objective, if his present set-up is not enough, which means, naturally, additional insurance or annuities, before I have received his consent regarding the changes which I have suggested.

"There are many elements which enter into a selling interview. But each one of us in the field has to work out his own method to obtain his objective. Preparation as well as the knowledge of human nature, plus concentrated effort, will accomplish what we all strive for, namely, success."

Leading Life Offices of Chicago

The
JAMES M. ROYER

General Agency

Our success rests upon the building of
Successful Careers for ambitious salesmen

Penn Mutual Life Insurance Company

FRANKLIN 7575

120 S. La Salle St.

CHICAGO

★
N. A. L. U.

Golden Anniversary

★
The offices listed on this page are leaders
in the life insurance field in Chicago. They
believe in the National Association and for
what it stands, and through this medium
extend their cordial greetings to the 50th
annual convention in St. Louis.

★
HERMAN C. HINTZPETER

MANAGER

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK

Chicago's Greatest Agency

8th Floor, 208 So. La Salle St.

State 9700

CHICAGO, ILLINOIS

**WILLARD EWING
AGENCY**

GENERAL AGENTS

**PROVIDENT MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA
PENNSYLVANIA**

Founded 1865

Phone

Randolph 6088

1205 Harris Trust Bldg.

CHICAGO, ILL.

The
**Equitable Life
Assurance Society
OF THE U. S.**

★

Philip B. Hobbs
Agency Manager

Warren V. Woody
Agency Manager

Harry T. Wright
Associate Agency Manager

120 So. LaSalle St.
CHICAGO

The Fuller Agency

W. S. FULLER, Manager

**The Prudential
Insurance Co.**

of America

Chicago Ordinary Agency

1245-1251 Field Building

Tel. Central 3930 Chicago

100% Membership in Chicago Life
Underwriters

George L. Schomburg, Brooks Fuller, C. L. U.,
Assistant Managers

NEW YORK SAN FRANCISCO
MINNEAPOLIS

MARSH & McLENNAN

We Maintain Specialized Depart-
ments for Handling All
Subjects of

INSURANCE

164 West Jackson Blvd.,

CHICAGO

London
Detroit
Phoenix
Pittsburgh
Portland
Seattle
Vancouver
Milwaukee

Indianapolis
Buffalo
Los Angeles
Montreal
Duluth
Columbus
Cleveland
Boston
St. Louis

HOBART & OATES

Phone State 0633

Chicago General Agents for the

208 S. La Salle St., Chicago

NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY

An agency giving its men thorough training and continuous supervision; the services of a competent statistician; policyholder leads and route lists;
commission protection through accepting no brokerage business and no "part-time" agents.

"My Old Kentucky Home,"
Bardstown, Kentucky



KENTUCKY HOME MUTUAL LIFE INSURANCE COMPANY

Extends Greetings to
**NATIONAL ASSOCIATION
OF LIFE UNDERWRITERS**
gathered in ST. LOUIS
for its 50TH ANNUAL CONVENTION

The Kentucky Home Mutual Life Insurance Company is an agency-minded company. It is built on a solid foundation, formed through economic management, sound investments, careful selection of business, prompt payment of claims, attractive agency contracts.

We can offer liberal agency contracts to personal producers of proven ability in Ohio, Indiana, Alabama, Florida, Tennessee and Kentucky territory. Write for details.

44 Millions of Insurance in Force

**KENTUCKY HOME MUTUAL
LIFE INSURANCE COMPANY**

Louisville, Kentucky

ELLSWORTH REGENSTEIN
President



Top row—F. H. Haviland, vice-president Connecticut General; Eleanor Felton, Equitable Society, Boston; T. M. Riehle, Equitable Society, New York.

Second row—A. C. Humphrey, Bankers Life of Iowa, St. Louis; J. G. Blane, Pan-American Life, Guatemala City; A. E. Miller, Union Central, St. Louis; V. Varela, Pan-American Life, San Salvador.

Extension of Associations' Activities Discussed

(Continued from page 17)

regional associations. He suggested several things that the state association can do: Increase prestige of the agent; help build up local associations (though caravans or otherwise); promote sales congresses; bring about trained leadership (officers' conferences); encourage National association attendance; Annual Message activities; legislation, and co-operation with chambers of commerce, etc. On the sales congress point, he said the attendance at the last state sales congress in North Carolina was more than twice the membership of all local associations in the state and that two new local associations were organized as a result of it.

George Page of Los Angeles told what managers' associations can do to help the state associations. He referred to the caravan activities in California and said the managers are now undertaking to provide funds for a paid state executive secretary, through sustaining memberships at \$10 each. He said the emphasis in the California state association is on legislation and education, with other activities left to the local associations.

H. J. Baum of Montgomery said that more assistance will be given wherever there are managers' associations and urged the organization of such units, even if there are only half a dozen members.

Financing State Associations

Earl Schaefer, of Harrisburg, Pa., raised the question of how to finance state associations. He said that in Pennsylvania a per capita assessment of 30 cents gives the state association only about \$600 to work with. Mr. Page said the assessment in California is \$1 per capita.

The question was raised as to the minimum number of agents in a town which would justify the formation of a local

association. Vice-president Zimmerman, who was presiding, said the National association rules set a minimum of 10 members. Probably not more than 50 per cent of the agents in a town could be enrolled at the start, which would mean a minimum of 20 agents in the town. Several representatives from cities of around 20,000 told of their experience, which brought a Nebraska delegate to his feet with the statement that Nebraska has only two cities of 20,000 but has a number of successful associations in towns as small as 7,000, where a membership of 10 or more has been maintained for many years.

Dyers Active in Organizations

George L. Dyer, Columbian National Life, general chairman of the St. Louis convention committee, is one of the old-timers in association affairs, having been elected secretary of the National association at the meeting in New Orleans in 1917. George L. Dyer, Jr., who has charge of the accident and health department in his father's agency, is active in organization work in that field, being president of the St. Louis Accident & Health Association and a vice-president of the National Accident & Health Association.

The St. Louis association has 100 on its hospitality committee ready to give information on medical care, entertainment and sight seeing.

Philadelphia's Benjamin Franklin, who was taking a few drags on a cigarette in the hotel lobby, was gently reminded by some of his colleagues that the original Franklin never smoked.

W. E. White, vice-president and superintendent of agencies of Continental Assurance, and Charles Craven, educational director, are representing that company at the St. Louis convention.

COLORADO LIFE

A GENERAL AGENCY COMPANY

Offering Splendid Opportunity for Real Future to People With Vision

LIFE

Low rate non-participating contracts . . . Low net cost guaranteed bonus policies . . . Liberal sub-standard department.

HEALTH

Exclusive territory for real builders . . . With a truly modern agency-minded company.

A streamlined accident and health department with a complete line of modern accident and health policies, including travel and hospitalization. . . . Sold independently of life insurance.

AND

and

A new one . . . A combination—**Life Plus Time**—life, accident & health all in one. Contains extremely liberal accident and health features, house confinement not required. Extremely low cost. Liberal first and renewal commissions. . . . This one gets business and holds it. . . . Life plus time exclusive with Colorado Life. . . . For information regarding territory write

ACCIDENT

W. LEE BALDWIN, President

COLORADO LIFE COMPANY

Home Office

DENVER, COLO.

S. A. RIESENMAN
Supt. of Agencies

W. J. McCETTIGAN
In Charge Accident & Health

STATE MUTUAL

Salutes You



To the National Association
of Life Underwriters

*This week you are
fifty years old*

We, who were 44 years of age when you were born, salute you . . . salute you for your untiring and unceasing efforts in behalf of the life insurance business.

With increasing prestige and influence, you have served successfully and well, not only in carrying out desired changes within the industry itself, but in giving a patient and attentive ear to proposals from the outside.

With kindred fellowship, we, too, will soon be celebrating an anniversary—our one-hundredth.

May your good work continue.

**STATE MUTUAL LIFE
ASSURANCE COMPANY**

of

WORCESTER, MASSACHUSETTS

Inc. 1844

Untroubled Sleep...

SOMETHING TO SELL!

...as Secure as it is Sound

Orphans at age 3

...yet their Dad's dreams are being realized

*Off the Pay-Roll
Onto the "Play-Roll!"*

**The
OUTCOME
of a
BENEFICIAL
INCOME**

This Widow inherited a Home instead of a mortgage

Our 35th year of service to Western America continues to demonstrate countless variations of The OUTCOME of BENEFICIAL INCOMES

**BENEFICIAL LIFE
INSURANCE COMPANY**

HOME OFFICE
SALT LAKE CITY, UTAH

HEBER J. GRANT
PRESIDENT

Show Them How to Buy Now; Too Late If War Should Come

(Continued from page 10)

who haven't had much education can understand.

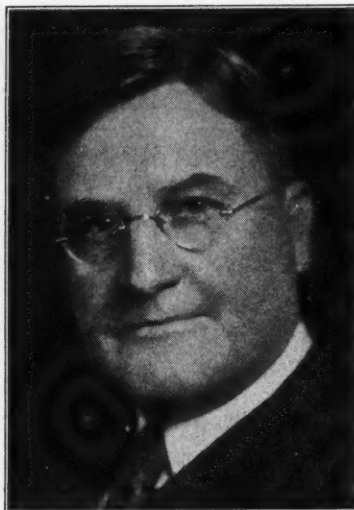
"You know, when I read about a company with a billion dollars worth of assets and millions and millions invested throughout the nation, it means nothing to me. It's only when I know that Bill Jones farm next door has received a loan from that billion-dollar institution, and, whereas it could have foreclosed because of non-payment on the indebtedness, it didn't, but took into account the fact that Bill Jones was a decent member of society and was trying to pay off his indebtedness and therefore they rode along with him. Then I realize that the billion-dollar institution has a warm understanding and is a living human being in itself.

Magnificent Story to Tell

"To me there is a magnificent story to tell about how they are striving day in and day out to find ways and means of employing idle dollars in order to give idle men jobs. Once those idle men are employed, they in turn will pay back a portion of their dollars into keeping the wheels of all industry going and the burden will be lightened on your shoulders and my shoulders as individuals.

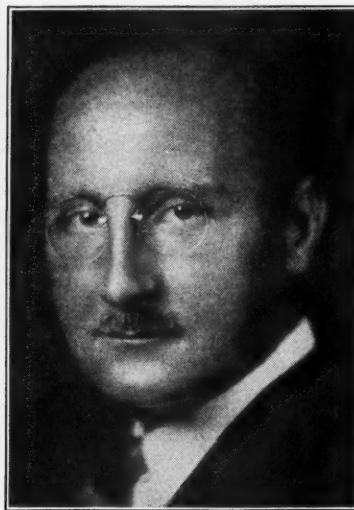
"I have watched with great interest in the last few years the struggle that has gone on and the misunderstanding that has existed between the forces of private industry and the forces of the federal government under the present administration. Now, I am going to say a rather out-spoken thing here today. I am naturally associated by blood with the man who epitomizes the theories of the new deal and yet I want to say that I am neither an anti-new dealer nor a new dealer. I have disagreed with many of the things that our government has

Represent Agency Officers Association



J. C. BEHAN

J. C. Behan, Massachusetts Mutual Life, chairman of the committee of the Life Agency Officers Association on the Annual Message of Life Insurance, and D. Gordon Hunter, Phoenix Mutual Life, chairman of that association's agency



D. GORDON HUNTER

practices committee, took part in the discussions of those subjects at the meeting of the national council and conferred with the corresponding committees of the National Association of Life Underwriters.

done and I have agreed with many more. I do not hesitate to say now to all of you that I think the struggle between business and government has been one of the most unfortunate things that could have happened to us in our desire to keep our form of government. I will not place the blame on any one person's shoulders because I believe that it lies on all of our shoulders together.

We are all equally guilty, no matter which side of the struggle we have been on.

"I think that the time has come when business and industry and labor, no matter how small or no matter how large—should enlist in the fight to keep America a free and untrammelled nation—strong in its dealing with others and master of its own economic future."

Year of Gains Revealed In Committee Reports

(Continued from page 10)

mote conservation through selection or training of agents; 27 maintain home office mechanics designed to aid conservation; 25 have local agency mechanics to aid conservation; 32 emphasize increase in insurance in force rather than new insurance written; 23 offer special awards for persistency.

Mr. Samuels summarizes the answers to the question of what the field force can do to aid in promoting conservation: encourage better selling methods; discourage replacing old business with new; secure a better selection and training of agents; emphasize the importance of a better selection of prospects; stress the profit to agents in persistent business; discourage the use of term insurance except for particular purposes.

Mr. Samuels suggested that the committee seek to develop information as to comparative lapse ratios of the new agent and the old agent; the relative lapse ratios of agents who have taken some course of instruction and those who have not; effect of size of policy on lapse rate; lapse ratio with respect to prepaid and non-prepaid business; relative ratios of programmed and non-programmed business; ratio according to occupation of policyholder; relative ratios of full-time agents, part-timers and brokers.

The committee cooperated with the insurance division of the U. S. Chamber of Commerce in preparation of a booklet "Guard Your Life Insurance" which will soon be issued. Mr. Samuels recommended that companies that are advertising nationally devote some attention to conservation.

HOME LIFE INSURANCE COMPANY

NEW YORK, N. Y.

"A Quality Company of Opportunity"

ETHELBERT IDE LOW, Chairman of the Board

JAMES A. FULTON, President

In 1929

(Our 70th Year)

Ten years ago the management of this Company believed there should be a place in the scheme of American Life Insurance for a company specializing in better-than-average business, and adopted

A

DEFINITE PROGRAM

with

DEFINITE METHODS

for

DEFINITE RESULTS

In 1939

(Our 80th Year)

AVERAGE POLICY SALE \$5,784

Largest of any American company in 1938.

LAPSE RATE 13%

Lapse of business before paying two full annual premiums was 6% lower than the average of all companies.

GAIN OF INSURANCE IN FORCE 40%

This proportion of new business sold represents net gain of insurance-in-force.

Larger average sale indicates larger commissions per sale.

Lower lapse rate indicates greater renewal commissions.

Substantial gain of insurance-in-force indicates sound progress.

These favorable factors, as well as net earnings, low declination rate, interest factor, settlement options and favorable costs will all stand critical examination.

FURTHER OBJECTIVES

The extension of Planned Estate Sales and Service Methods into cities where the Home Life does not now have active agency representation. Plans and methods for the development of new agencies and new general agents to manage those agencies are just as definite as the plans and methods which produced other favorable results. On matters pertaining to agency operation, write

C. C. FULTON, Agency Vice President

LOS ANGELES SALUTES

THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS



• CABRILLO BOULEVARD, THE WIDE BEACH THOROUGHFARE OF SANTA BARBARA AND THE MAIN HIGHWAY SOUTH TO LOS ANGELES.

The Managers and General Agents of Los Angeles shown on this page take this means of extending felicitations to the N.A.L.U. assembled in St. Louis. We congratulate this great life insurance organization on its progress.

WALTER J. STOESSEL, General Agent

R. L. INGRAHAM, Associate General Agent

NATIONAL LIFE OF VERMONT

Southern California Agency

609 S. Grand Ave.

Los Angeles

MARK S. TRUEBLOOD

Manager

SOUTHERN CALIFORNIA and ARIZONA

THE UNION CENTRAL LIFE INSURANCE CO.

CINCINNATI

609 S. Grand Ave.

Los Angeles



"THE PROUTY AGENCY"

PHINEHAS PROUTY, JR., General Agent

GEORGE E. BRADY, Agency Assistant

THE CONNECTICUT MUTUAL LIFE INSURANCE CO.

530 West 6th St.

Los Angeles

HAYS & BRADSTREET

General Agents

**NEW ENGLAND MUTUAL LIFE INSURANCE
COMPANY OF BOSTON**

609 South Grand Ave.

Los Angeles

W. K. MURPHY

General Agent

SOUTHERN CALIFORNIA

NORTHWESTERN MUTUAL LIFE INSURANCE CO.

609 So. Grand Ave.

Los Angeles

HAROLD G. SAUL

General Agent for Southern California

JOHN HANCOCK MUTUAL LIFE INSURANCE CO.

510 West 6th St.

Los Angeles

W. T. SHEPARD

General Agent

THE LINCOLN NATIONAL LIFE INSURANCE CO.

"Link Up With The Lincoln"

510 West 6th St.

Los Angeles

H. S. STANDISH

Manager

SUN LIFE ASSURANCE COMPANY OF CANADA

617 So. Olive St.

Los Angeles

JOHN W. YATES

and Associates

MASSACHUSETTS MUTUAL LIFE INSURANCE CO.

530 W. 6th St.
Los Angeles

111 SUTTER ST.
San Francisco

H. J. GARRETSON

Manager

GEORGE P. QUIGLEY, Assistant Manager

FIDELITY MUTUAL LIFE INSURANCE CO.

510 West 6th Street

Los Angeles

WILMER M. HAMMOND

General Agent

AETNA LIFE INSURANCE CO.

10th Floor, 810 S. Spring St.

Los Angeles

J. S. MARR

Manager

RELIANCE LIFE INSURANCE CO.

OF PITTSBURGH

Associated Realty Bldg.

Los Angeles

GEORGE H. PAGE, Manager

LOS ANGELES AGENCY

CALIFORNIA-WESTERN STATES LIFE

418 Chamber of Commerce Bldg.

LOS ANGELES

MURRELL BROS.

General Agents

MUTUAL BENEFIT LIFE INSURANCE CO.

NEWARK, N. J.

510 West 6th St.

Los Angeles



STATE CAPITOL—SPRINGFIELD

GREETINGS N.A.L.U. FROM ILLINOIS' CAPITAL

H. M. SOLENBERGER
General Agent

The Mutual Benefit Life Ins Co.
of Newark, N. J.
601 Ferguson Building

JOHN L. TAYLOR
Manager

The Mutual Life Insurance Co.
of New York
Myers Building

E. E. CANTRALL
General Agent

NORTHWESTERN MUTUAL LIFE
INSURANCE CO.
Ferguson Building

FRED T. BOLDON
Manager

Home Office Agency
THE FRANKLIN LIFE INS. CO.
804 Myers Building

A Salute to Our National Organization

SPRINGFIELD ASSOCIATION
OF
LIFE UNDERWRITERS

Holcombe Reviews Ways of "Getting Man You Want"

Speaking at the general agents' and managers' session on "Selecting the Man You Want," John Marshall Holcombe, manager, Sales Research Bureau, said managers all have in mind certain conditions which the candidate must meet, such as age, education, marital status, amount of insurance owned, and perhaps former occupation. There is also some minimum standard as to what may be called "sales temperament" and social consciousness.

In the past the use of these standards was on rather a haphazard basis, but there has been an increasing effort to get the selection of men on a more scientific basis. Mr. Holcombe then reviewed what has been done along this line and the present-day status of scientific selection.

The first great question to be answered was: Can any one selection device be generally applicable? Two groups of agents representing opposite extremes were noted on the same numerical rating chart. One group consisted of New York City agents for a relatively large United States company; the other group consisted of an equal number of rural and small town agents, representing several small Canadian companies. The results were surprisingly similar. While the actual average production of New York men of any given rating was greater than the actual average production of the men from western Canada, this was probably about proportionate to the difference in buying power in the two territories. The all-important fact was that the ratio of the production of men rating excellent as compared to those rating poor was virtually identical in both cases.

The second step was to recognize at least two different fields for selection efforts—personal history, and personality characteristics. The third step was the development of the rating chart, which measures the probability of survival and success by a mathematically proper evaluation of factual items of personal history—number of dependents, occupation, etc. The study is based on the records of 10,111 full-time agents, none of whom had had previous life insurance selling experience. Data were gathered and analyzed on 24 personal history items, although in some instances complete information was not available.

Scoring System Devised

A scoring system was devised for each of the 24 items included in the study; and that scoring system was based on the actual records made by these agents. When a score of two points is given to a man who owns \$2,500 of life insurance, and four points to a man who owns \$5,000 of life insurance, it is not because it is thought that a man should own a large amount of life insurance in order to be a successful life underwriter, but because it was actually found out that the men who had \$5,000 of life insurance tended to remain in the business longer and to sell more life insurance than the men who owned only \$2,500 of insurance.

After determining the relative importance of each of the 24 items, 10 were selected as giving the best predictions of first and second-year production, and as also giving good predictions of whether or not an agent would remain in the business. Companies do not want to hire big producers who will stay with them for only a few months. Neither do they want to hire men who will remain in the business for ten years and never produce much of anything.

Survival, Production Better

The fact that an individual scores excellent does not assure him of success; it does assure him that he is a member of the group which is the most

likely to achieve success in life insurance selling. In a considerable number of studies from many different companies it was found that the number of excellent men who complete the first year under contract is about twice the number of poor men who survive one year. The average first year production of excellent men is about twice that of poor men. And as it is survival times production which gives a true index of the relative value of the two classifications, the actual difference is a shade over four to one. That is, a group of any given number of excellent men will account for about four times as much business in the first year as an equal number of new men whose rating is poor.

Compared With Manager's Judgment

In one company it was possible to compare the effectiveness of such a chart with the effectiveness of the manager's judgment. The manager used a judgment blank very similar to the ones that are in use in a large number of companies today and recorded his opinion of the prospective new agent on each of a number of different qualities. It was possible, then, from actual records, to determine the ratio of the production of the men in the high group to that of the men in the low group, first, as rated by the managers, and second, as rated by the chart. As rated by the managers, the men in the high group produced (in the first year) 115 per cent as much as the men in the low group; when the same men were reclassified by the chart the ratio was 170 per cent.

Measure Personal Characteristics

The fourth step was to find a means of measuring personality characteristics for life insurance selling. The importance of this is self-evident. One way of emphasizing it is to point out that some men will achieve a very high score on the rating chart, and still prove to be misfits in life insurance selling—the situation probably being that the man had a high order of ability in his previous work, and therefore scores high, but has a lack of aptitude for selling life insurance.

The personality characteristics inventory is a psychological device designed for the sole purpose of predicting the probability of success in life insurance selling by the measurement of personality characteristics. It is not a vocational guidance examination. It is not an intelligence test. It has no right and wrong answers. It is simply a set of questions each of which, it has been demonstrated, tends to be answered in a certain way by men likely to succeed in life insurance selling, and in a certain opposite way by men likely to fail.

Not Matter of Opinion

Opinion was not involved in the building of the personality characteristics test or its scoring system. Over more than six years more than 500 questions were tried, and fewer than 200 stood the tests of time and repeated experiment. A somewhat larger number stood all tests conducted upon men already in the business; but certain types of questions which clearly distinguished between successes and failures now engaged in life insurance selling showed, in later tests, no similar ability to predict. Other questions worked equally well in both respects, and they are the ones which now make up the test.

The result given by the personality characteristics test may vary widely from that given by the rating chart. This is fortunate: if a given individual always rated equally high or low on both, one would serve the purpose as well as two. Actually, the personality characteristics inventory might be said to add refinement to the rating chart—or to select a little further from the already

select group as determined by the chart. For that reason, the two have been combined into the Aptitude Index, Part I of which is the rating chart, and Part II of which is the personality characteristics inventory. Like the rating chart alone, it merely divides by groups, and again the fact that John Jones rates excellent on the combined blank does not guarantee him success—but certainly it makes him a member of a very select group. For 10 men, or 100, who rate excellent on the combined blank, will remain in the business at a better rate than those who rate poor, and will produce more business than those who rate poor, to the extent that they will, within the first year, pay for about five times as much business as an equal number of poor men.

Mr. Holcombe then presented some figures, based on the Aptitude Index, on first-year survival and production, ages 26 and over. To simplify comparisons, the average production of men in the low group was expressed as 100 per cent, with the average production per man in the other groups expressed in proportion. On this basis it shows: A (excellent), 503 per cent; B (very good), 332 per cent; C (good), 189 per cent; D (fair), 95 per cent.

He said that the numerical rating chart alone is admittedly not very effective at the younger ages; but the combined Aptitude Index is about equally effective at all ages.

"The Aptitude Index," Mr. Holcombe said, "is a tremendous aid to recruiting. Isn't it true that, usually, the big job is not so much to convince the prospect that you have a great business and a great company and a great agency, as it is to convince him that he can succeed at the job?"

"It can help, very materially, to eliminate the misfit before he starts—it will help to recognize the man you want—and it will help to sell him the idea."

Security Is Not Created by State

(Continued from page 7)

manner, but that throughout the years he has been building security for his clients and for America. "For his varied activities have, consciously or otherwise, been permeated with the aims of inspiring his prospect's faith in his own stability as well as in the stability of American institutions; of stimulating the prospect's initiative and self-reliance in provision for those who are dependent on him; of urging the education and training of the prospect's children in order that they may make their own contributions to progress; of fostering capital accumulations by the prospect for the proverbial rainy day and for the twilight years of life; of enabling the prospect to take legitimate business risks more freely by relieving his mind of worries respecting his family's financial fate if death should come prematurely; of prolonging life and minimizing the distress and suffering which are associated with accidents and sickness; and of transmitting the philosophy that the strength of our civilization lies in the strength of its individual citizens and their family units."

Faith in Institutions Maintained

Faith, he continued, is a fundamental factor in security. "How well the life underwriters of this country have succeeded in building faith is exemplified not only in the tremendous volume of life insurance annuities which are in force here, but also by the difficulty of disturbing the public confidence after an unprecedented era of attacks on all classes of business. With all the attempts which have been made in recent years to inflame the public mind, and all the flame fanning which has accom-



A SALUTE to N. A. L. U. FROM PEORIA THE HEART OF ILLINOIS

LESTER O. SCHRIVER

General Agent

Aetna Life Insurance Co.

301-305 S. Jefferson Ave.

REULING & WILLIAMSON

General Agents

MASSACHUSETTS MUTUAL

LIFE INS. CO.

Sixth Floor, Lehmann Bldg.

CLIFFORD R. GARRETT

General Agent

THE NORTHWESTERN MUTUAL LIFE INS. CO.

706 Commercial Bank Bldg.

The

FREDERICK A. SCHNELL

Agency

The Penn Mutual Life Ins. Co.

Suite 600A
Commercial Merchants Bank Bldg.

Chester T. Wardwell, C.L.U.

General Agent

THE CONNECTICUT MUTUAL LIFE INS. CO.

Suite 620-624
The Central National Bank Bldg.

W. LEE MULLEN

Branch Manager

SUN LIFE ASSURANCE COMPANY

of Canada

935 Jefferson Bldg.

W. S. COCHRANE

General Agent

NORMAN E. ANDERSON

Production Manager

The Mutual Benefit Life Insurance Company of Newark, N. J.
1007 JEFFERSON BLDG.

What is a Good Life Insurance Company?

● ONE that maintains a competent Agency Department.

● ONE whose personnel is so selected that each is working in the interests of the policyholder.

● ONE whose entire organization in personnel and service is keyed to high efficiency.

Such is the Farmers Union Life Insurance Company—a company geared to highest efficiency.

FARMERS UNION LIFE INSURANCE COMPANY

Des Moines

TOM WHITE, President

Greetings from

SCRANTON LIFE INSURANCE COMPANY

SCRANTON, PA.

WALTER P. STEVENS, President

panied them, faith in this institution has persisted."

Much has been said and written about the advantages and disadvantages of private initiative and self-reliance. Initiative and self-reliance, he declared, are reflected both in the act of selling and in the act of buying life insurance. "Over 110 billion dollars of life insurance in force and more than 27 billion dollars worth of accumulated assets are an impressive mute testimony to the application and encouragement of these qualities which make the individual want to fight his own battles, to stand on his own feet, to protect his own dependents, or to pull his own weight in the boat, if we turn to the language of the college crew.

Notable Services Rendered

"The prudence, thrift and foresight which have been stimulated and made possible by the life insurance institution through the services of life underwriters have not alone provided billions of dollars to hold families together, to educate children, to give comforts and conveniences to the aged in the declining years of life and to meet the emergency demands of family financial disasters, but during their period of accumulation, judicious investment thereof by the com-

panies has facilitated the production of more and better goods and services for the public.

"Activities of life underwriters in bringing together millions of people who must first undergo a physical examination, and for many of whom the insurance companies will ultimately receive physicians' death reports, have made it possible to study causes of mortality and to produce significant contributions to healthful living and increased longevity of our citizenry. Other types of health conservation services have also been developed. These various corollary functions of the life insurance institution have constituted an important factor in adding 12 years to the life span since the beginning of this century."

Social Responsibility

He mentioned, in concluding that part of his discussion, the sense of social responsibility, and said that society can't prosper or attain any high degree of security unless some of the people who compose it feel an individual obligation of making a sacrifice for its advancement. He mentioned the various ways in which life insurance and life insurance men have met that obligation.

He listed three stages in the development of life insurance, first pioneering

second the rapid expansion stage and now the maturity stage, bringing with it the need for more thoughtful and thorough analysis of the public's needs and desires, improvement of sales techniques, study of new markets and research into new ways of using the product, for elimination of cut-throat competition and a higher standard of business ethics.

At the time of the Armstrong investigation in 1905, which he arbitrarily set as the end of the first era, legal reserve life insurance, after 60 years of existence, had just recently passed the ten billion dollar mark in volume and its assets were valued at slightly under \$2,750,000,000. It was approaching the close of its long struggle against the fallacies of the fraternal assessment principle.

Trustee Attitude Spreading

The trustee attitude in administration of policyholders' funds was spreading rapidly. Contract provisions which had been narrowly limited in the early days were being supplanted by the liberal provisions of modern policies. Introduction of loan and surrender value tables, inclusion of optional modes of settlement, broadening of beneficiary provisions, elimination of restrictions on residence, travel and occupation, and shortening

of the incontestable period were some of the major changes associated with the last decade of the 19th century and the early years of the new. Life insurance selling methods were losing some of the commercial tricks which had come out of the "caveat emptor" attitude of a "laissez faire" business background. The time was ripe for expansion.

The Expansion Stage

And expansion came. Within a decade, the volume of insurance in force, the number of policyholders and the assets of life companies, had nearly doubled; within two decades the volume was more than five times as much on four and one-half times as many policyholders and the assets were in about the same proportion. Although assets doubled again in the succeeding decade and volume increased 50 per cent, the number of policyholders, according to the best available figures, increased less than one-fifth. The legal reserve principle, however, had won beyond question its battle with the assessment plan. Broad disability benefits had come and gone, but other contract provisions had retained their liberality and their availability. Sales appeals were being broadened. Life underwriters began to think in terms of guaranteed incomes for wives, educational plans for children, investment programs, protection of estates against shrinkages from death, taxation, business interest liquidation, key man indemnification, programming, insurance trusts, etc.

Training Plans More General

"It is conceded," he said, "that these manifold newer uses were often viewed solely through 'sales glasses' and the knowledge to apply them effectively was frequently lacking. But training plans for new agents were becoming general, home offices were supplying a greater volume of helpful literature, the Sales Research Bureau was organized to study distribution problems, periodic organized educational services for advanced underwriters were finding a market. In some of the larger agencies, certain specially educated persons were being encouraged to work on taxation, trust, business insurance and similar cases whereas others were steered away from prospects interested in such service."

He said the American College and the C. L. U. movement came on the scene as the second stage neared its close.

There was need for more intensive study of the ways in which life insurance could be utilized advantageously in either their family or business financing by the great number of middle class people who already had some insurance, and who could not see the need for more when approached on the basis of sales talks and techniques geared to extensive methods of market cultivation. If for no other reason, a broader education, a scientific approach, individualization of service and similar essentials of the maturity stage in the professions previously mentioned were becoming inevitable.

Social Security Situation

"But there are other reasons," he added, "and very weighty ones. By an action not yet two months old the federal government has brought into existence a plan of survivor benefits for the 45,000,000 workers under the old age provisions of the social security act which, as workers meet the requirements for becoming 'currently' or 'fully' insured, will provide incomes, in event of death, to widows, dependent children, and in some cases to dependent parents. Without going into the details of this recent and highly significant change, may I point out that expressed in terms of a life insurance principal sum, these benefits are the equivalent of a large volume, and on many lives. I venture no predictions as to future modifications. But I believe you will agree that the problem of adapting life insurance to the needs of many who are under the

The Columbian National Life Insurance Company

FROM George L. Dyer Agency

St. Louis, Missouri (CITY)

TO Agency Department

September 1, 1939 (DATE)

OFFICE Home Office

SUBJECT Advertising

Regarding copy for our N.A.L.U. advertisements in the tradepapers, as Chairman of the Host Association Convention Committee, I would like to thank everyone for cooperating so splendidly with us to make our "Golden Anniversary" Convention such a success.

What are your ideas?

General Agent

*Mr. Dyer -
Why not use
this letter? L.H.H.
A.K. G.H.H.*

GLAD TO MEET YOU

WHEN men who have much in common are thrown together they will introduce themselves and often enduring friendships are made that way. Fidelity Mutual offers its greeting to the leading underwriters of America—members of the National Association—glad of the opportunity to introduce itself to those it does not know.

THE Fidelity has been faithfully serving insurers since 1878, operating in 37 states, including New York and the New England states. It is a 3% company with more than 363 millions of insurance in force and more than 126 millions in assets.

Originator of the "Income for Life" plan, Fidelity has operated an unusually successful lead service on this appeal for twenty-three years, and in response to which more than half a million leads have been secured. Backed by a modern kit of sales tools, including Family Income, Family Maintenance, Modified Life and Juvenile insurance, the Fidelity agent is in position to both develop insurance needs and to meet them effectively.

It is proud of its reputation as a company friendly alike to its policyholders and to its field.

**THE FIDELITY MUTUAL LIFE
INSURANCE COMPANY**
PHILADELPHIA
Walter LeMar Talbot, President

WELCOME! NEIGHBOR

MISSOURI is highly honored with this opportunity of having the country's leading life Underwriters within its gates. We earnestly hope that visiting N. A. L. U. delegates will have an enjoyable stay in St. Louis.

**AMERICAN SAVINGS
LIFE INSURANCE CO.**

KANSAS CITY, MO.

An Old Line Legal Reserve Life Insurance Company operating in Arkansas, Indiana, Kansas, Missouri, New Mexico, Oklahoma and Texas.

R. S. TIERNAN, President



act will change as these new provisions become operative. I believe you will also agree that the taxation necessary to meet heavy governmental expenditures and reduce our stupendous federal debt will leave a smaller surplus in the hands of most people. The threat of being drawn into another world conflagration, even the disrupting economic influence of a prolonged European war in which we do not actively participate, together with other complex and rapidly changing conditions of the social, economic and governmental environment in which we live are considerations of vast importance which I can barely suggest.

Meeting New Challenges

"Yet there is no occasion for a defeatist spirit. The new problems added by events of the past decade to a vocation reaching maturity are challenges but not blockades. Many life underwriters have found their C.L.U. education of inestimable value in meeting them, and as life underwriting advances further into maturity, their ranks will be greatly augmented.

"In earlier stages, the life underwriter may have regarded the life insurance policy as a commercial product and thought of himself as an agent who, in the strictly legal sense, represented his

company for the sole purpose of making a sale. Today, the good life underwriter views the life insurance contract as a means of guaranteeing a flow of goods and services—a standard of living if you like—to the policyholder and his beneficiaries when the need arises.

"In the course of this transformation, he has cut out for himself a distinctive field of essential and creative social service, he has helped to build up a financial institution of unparalleled safety and he has laid the foundations for a new profession which makes its bid for public recognition solely on the quality of the service which it renders, but through it all the one increasing purpose runs of giving to mankind a security which is typically American."

Seattle, which had announced its intention of presenting an invitation for the national convention in either 1940 or 1941, is willing to entertain the National association any time it wants to come, according to C. C. Thompson, Metropolitan Life, former national president.

Alex McDonald, insurance commissioner of Wyoming, arrived in St. Louis, Tuesday, to attend the convention sessions.

Consistency

★ The National Association of Life Underwriters, for 50 years has afforded consistent effort toward the institution of Life Insurance.

★ The American Home Life has likewise followed a policy of consistency

- ... in management methods
- ... in agency practices
- ... in fair treatment of policyholders

★ is one of the reasons for the continuance of American Home Life's successful records of operation.

★ Again in 1939 our field workers are demonstrating their loyalty to this company, in again showing, as they have in the past 5 years—increase in paid production that is increasing our insurance in force account.

★ In response, the American Home Life's executives seek to show appreciation of these efforts with close, personalized and interested cooperation with each individual in the field.

★ *There are real values for Kansas and Missouri agents in representing a company with this genuine "agency attitude."*

★ Address Agency Inquiries to Frank J. Seitz, Director of Sales

**The AMERICAN HOME
LIFE INSURANCE COMPANY
TOPEKA, KANSAS**

W. M. HOBBS, President



Top row—C. F. Cross, vice-president Lincoln National, and James H. Brennan, Fidelity Mutual, Chicago.

Second row—Arthur P. Shugg, Aetna Life, St. Louis; Thurman Taylor, Southeastern Life, Greenville, N. C.; Karl Ljung, superintendent of agents Jefferson Standard Life.

Women Becoming Strong Factor in Life Insurance

The growing importance of the woman agent was stressed by Miss Alberta Allen, chairman, National association committee of women underwriters, in opening the women's section program.

"The number of women life underwriters is growing rapidly," she said. "The first woman underwriter is believed to have entered the business some 30 or 40 years ago, but it is only in recent years that their activity in this field has become widespread. Today it is estimated that there are more than 2,000 women underwriters.

"It was in 1933 that the women emerged from their anonymity in the field for in that year the National association appointed a committee on women underwriters and in 1936 we had the first program of our own at the national convention. Now we have a quarter-million dollar round table and doubtless before many years have passed we will have our own million dollar round table.

Increase in Policyholders

"Just as the number of women underwriters have increased, so have the number of women who own life insurance policies shown a marked upward trend in past years. With the transition of so many women from homes into industry during the days of the first World War, millions of women are now depending upon life insurance to make their security plans come true.

"The best estimates put the number of women policyholders at around 15,000,000 and it is further estimated that they own well over \$10,000,000,000 of insurance.

"Since insurance originated, women have participated to a large extent in its benefits. Women are the beneficiaries of more than 70 percent of insurance now in force. Last year life insurance payments and benefits were more than \$2,500,000,000 and it has been estimated that nearly \$1,500,000,000 was paid directly to women."

Homer Rogers, Indiana manager Equitable Society, who has been president of the Indiana association for five years, says the reason he has been continued in office so long is because the members are afraid that if he wasn't, he wouldn't continue to hold the annual picnic at his cottage.

John W. Yates, Massachusetts Mutual, Los Angeles, admits, albeit with some reluctance, that he was not loath to leave his home city in view of the temperature of 100 or over for nine successive days, with a top of 107. It is, of course, "unusual weather" for Los Angeles. About 15 Angelenos are on hand for the convention.

Chicago's "On to St. Louis" committee brought nearly 100 from the windy city through the efforts of Chairman E. C. Hintzpetter, Mutual Life of New York.

The Cleveland in 1940 group tagged the hotel room doors of the delegates with the official penguin pluggers.

Free Enterprise Appeal Strikes Responsive Chord

(Continued from page 6)

lars belong to your policyholders, most of whom are also taxpaying citizens. The government in considering regulation of this accumulation of assets is seemingly seeking to protect these citizens from themselves as policyholders.

Confidence of Great Majority

"I cannot forget the figures of the Consumer Purchase Survey where four out of five families rely upon their savings though life insurance as the back log of their future security. That is an effective majority. There never has been a political party that has come close to winning the confidence of such a majority of the American people.

"The members of this association are directing one of the greatest sales operations in the world. Selling is an integral part of a system of free enterprise in which industry must respond to a variety of individual needs and tastes and a swift change of demand. Selling would have no place in a system of regulated and standardized products and services which some of our legislative proposals are intended to bring about.

"In the insurance business and the advertising business we are dealing with some of the most far-reaching aspects of selling. Our efforts stand near the top of the sales pyramid in this country and we are likely to suffer first and most seriously from the attempts of the regulators to make America over. When the Curtis Publishing Company sells a copy of The Saturday Evening Post to a reader, it is selling a commodity. But when it sells white space to an advertiser, it is selling an instrument of sales which has found application in the marketing of innumerable products and services.

Sells Stabilizing Device

"Similarly the life underwriter is not selling an individual item entering into the American standard of living. He is selling a device for protecting and stabilizing the standard of living as a whole, on behalf of his customer and his customer's dependents.

"We both deal in instrumentalities and intangibles. We have taken words like 'confidence' and 'security' and worked them into the solid substance of comfort and contentment in American family life. The family man who buys life insurance and the business man who buys advertising are the builders whose vision embraces more than today's appointed round. It is exciting to work on these frontiers of human activity where the impulse to create and to conserve is constantly carving out new realities. It is also a hazardous place to work in these days when the conviction has grown so strong that the bright new world must be sought through law rather than through the enterprise and creative imagination of the individual.

"The planners and the simplifiers have been busy with schemes for getting along without us. We have both been indicted for high crimes against the ideal commonwealth which these gentlemen carry around in their heads. We are told that there is too much selling in the world and between us, we are guilty of a lot of it. Advertising itself, they tell us, constitutes over-selling, and insurance of all things offered the consumer is most greatly oversold.

Malady Not Overselling

"When we look at the productive facilities of this country and observe that many plants are working far under capacity because of the inability of management to dispose of the maximum output, it seems clear that the malady affecting us must be something far different from overselling. When we consider insurance and think about the 20

per cent of urban families which carry no insurance and the 50 per cent of insured individuals who, according to their own admission in surveys we have made, should carry 2½ times as much for adequate coverage, there seems little ground for the contention that insurance is oversold.

"Democracy in political life and the sales end of business are very closely related. Democracy is a form of government which rests on persuasion. Under democracy the citizen reserves the right to be 'sold' before making his choice on an issue. Under autocracy he is obliged through force to forego the power of choice. In the democratic scheme he is free to listen to the pleas or sales talks of the rival candidates. In the other, his ear must be attuned for the voice of the dictator only. The difference between a dictator and a democratic leader is that the latter is obliged to sell his program before he can put it into effect. Where selling stops, democracy ends!

Challenges the Critics

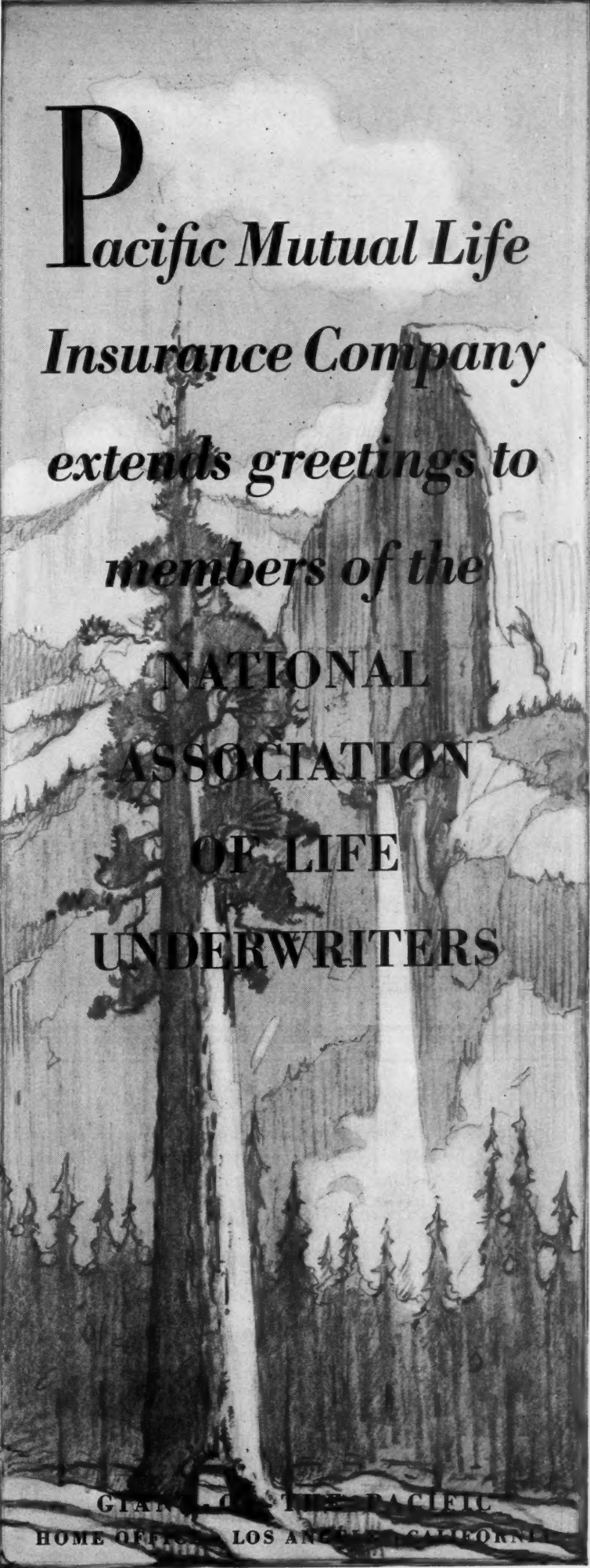
"In claiming that life insurance selling is wasteful the critics point to what is deemed to be an excessive amount of personal salesmanship. Excessive with relation to what? Anyone with the temerity to make that charge should name the yardstick used for comparison. Some are apparently comparing the sale of life insurance with the sale across the counter of everyday necessities like foods, drugs and cosmetics. The comparison is unfair because of the difference in the size and importance of the sale. If you were to sell a family its lifetime requirements for toothpaste under a single contract, that would also require personal salesmanship of a high order and lengthy sales interviews. Actually the amount of time the consumer spends in buying toothpaste is far greater in the course of a lifetime than the time spent in buying life insurance. Also the cost of selling toilet preparations and cosmetics is far greater than the cost of selling life insurance when both are considered in proper terms as a percentage of sales.

"The Census of Distribution for 1935 shows that manufacturers of cosmetics and toilet preparations spend 27.5 per cent of their sales dollars in selling costs. That is exclusive of the margins given to retailers and wholesalers which bring the price to the consumer to about double the manufacturer's selling price. There is no intention here of suggesting that sales costs are too high on cosmetics. The cost of selling insurance and the cost of selling cosmetics can be defended on the same grounds. An industry which has been in existence for any length of time develops sales methods which are in general adapted to the product it sells. Every industry can make improvements in its selling methods from time to time but improvement will come through refinements in basic methods rather than drastic alterations.

Demand of the Customer

"Much of the cost of selling arises from the fact that customers demand tailor-made services even in the purchase of ready-made products. In insurance the salesman actually designs the product right on the job to fit the needs and desires of the customer. The raw materials he works with are the various insurance plans and policy features his company offers. His finished product is an individualized insurance plan adapted to the income and objectives of the customer. Of course, the cost of selling insurance could be reduced if policies could be as standardized as marriage licenses, but in the one case the customer wants his to be the same as other people have while in insurance he wants something different.

"The cost of distribution can always be curtailed by restricting or eliminating the range of consumer choice but the moment you do, you have cut out one of the principal values distribution provides for the consumer which is the preservation of this very freedom of



Pacific Mutual Life
Insurance Company
extends greetings to
members of the
NATIONAL
ASSOCIATION
OF LIFE
UNDERWRITERS

GRAND OFFICE THE PACIFIC
HOME OFFICE LOS ANGELES, CALIFORNIA

N. A. L. U.
and
GUARANTEE MUTUAL LIFE

BUILDERS of MEN

For 50 years the National Association of Life Underwriters has played a most important part of building prestige for the institution of Life Insurance. So it is then that the Guarantee Mutual Life's slogan "Builders of Men" is applicable to that great life insurance organization.

A. B. OLSON, Agency Vice-President

GUARANTEE MUTUAL LIFE COMPANY

OMAHA, NEBRASKA

ORGANIZED 1901

Licensed in Twenty-two States

"GUARANTEE MUTUAL MEN MUST SUCCEED"

IT WAS ANNOUNCED

by President Alexander at the annual agency convention at Breezy Point, Pequot, Minn., that our agency production for the first seven months this year is

58% Ahead of Last Year

The reason is:

NEW POLICY CONTRACTS
NEW RATE BOOK AND DIVIDEND ILLUSTRATIONS
NEW GENERAL AGENCY CONTRACT

with

Office Allowance
New Financing Plan for Agents
Bonus and Over-Writing on New Organization
Unusual Renewals

Expansion Program Includes:

Indiana—Ohio—Illinois—Michigan—Iowa—
Nebraska—Missouri—Tennessee

The LAFAYETTE LIFE INSURANCE CO.

Home Office—LAFAYETTE, INDIANA
A Mutual Old Line Company

DIFFERENT?

Decidedly



SINCE 1901

MONARCH

LIFE INSURANCE COMPANY

SPRINGFIELD, MASSACHUSETTS

.... NONCANCELLABLE

Accident and Sickness Insurance
and
Participating Life Insurance

A CHALLENGE

"THE banks are overflowing with money. You see, with fake stocks outlawed, people have nothing to do with it," says the Fountain Inn (S. C.) Tribune.

Here, very clearly, is a challenge to members of the National Association of Life Underwriters in particular and to life underwriters in general.

May they be inspired and determined, henceforth, to meet this challenge more effectively, that the business of living may go on in America with increasing measure of comfort and security.

LIFE
INSURANCE COMPANY
VIRGINIA

RICHMOND

Established 1871

Bradford H. Walker, President

choice. In the same way it reduces some of the costs of government to have the dictator issue an edict rather than permitting the people to vote. Yet there are some of us who still believe that the democratic process is worth what it costs both in choosing leaders and in choosing products.

"The commission basis of compensation which has also been subjected to criticism is a very natural development in the insurance produced. In the main most retail and resale salesmen are always paid on a salary basis. Here the channels of approach are fully charted and the opportunities for sales are pretty well known in advance. To a much greater extent the insurance salesman is on his own. It is only sound management to give him a stake in the volume produced. He has to use his own judgment as to the application of time against his prospects and under the present arrangement the potential volume furnishes the test."

Social Security Is O. K. If It's Not Carried Too Far

(Continued from page 5)

terest rates, he said the policyholder has two viewpoints to consider. "As a member of the borrowing class he profits by interest reductions. As a member of the lending group his income is decreased in the same proportion. He must be watchful that interest reductions are not carried too far, otherwise the company earnings would be seriously affected, jeopardizing the ability of the insurance company to carry out its promise."

In the field of public relations, he suggested that every possible endeavor should be made to simplify policy phraseology and remove possible cause of future misunderstanding with policyholders, such as estimates of future dividends.

"During recent years the institution of life insurance has been attacked over the air, in books and in the public press," he continued. "Its methods of doing business through agents and its attitude towards interest rates on bonds, policy loans and mortgages have been criticized. In these days of uncertainty we hear from so-called insurance counsellors about policyholders who are over-paying for their insurance. Policyholders have been offered advice, usually for a fee, to readjust their policies, although companies have pointed out that such advice could be obtained free of charge from their agents or home offices."

SEC Investigation Reviewed

"Then, again, the Securities Exchange Commission has been investigating the life insurance companies from several points of view. It has primarily been concerned with the investment problem including the direct purchase of securities by the insurance companies from issuing corporations. It has also been concerned with the degree of control exercised by policyholders in mutual companies. Its sphere appears to include a study of the economic effect on the country of the institution of life insurance. In some quarters it has been stated that the probable ultimate aim of the federal investigation of life insurance is the introduction of a system of federal supervision to supplement or replace the present system of state supervision of life insurance."

"There is, indeed, grave doubt regarding the rapidity and extent to which government has entered into competition with private enterprise. Labor regards undue extension of government into our economic life with much apprehension. Undue extension as well as undue interference with free enterprise creates unrest in the ranks of capital and labor, destroys confidence and if it does not actually create unemployment, it checks

John Hancock Man Attended First National Meeting

One of the special guests at the golden anniversary convention is Henry H. Putnam, head of the department of publicity John Hancock Mutual Life. Mr. Putnam attended the first meeting of the National association that was held in the Parker House, Boston, 50 years ago. He was a reporter on the "Standard" and he was assigned to prepare a special edition of the paper devoted to that meeting. Mr. Putnam does not know whether any of the delegates of the 14 associations that were represented at the first meeting are living at this time. One of those who attended the first meeting but not as a delegate is Fred C. Sanborn. He is now 86 years of age, is retired and resides in Brookline, Mass. Mr. Sanborn at that time was cashier of Massachusetts Mutual Life under George N. Carpenter, general agent, who was elected the first president of the National association. Upon the death of Mr. Carpenter, Mr. Sanborn became general agent in Boston.

The 14 local associations at the first meeting were Boston, Providence, Maine, New Hampshire, Vermont, New York City, Philadelphia, Pittsburgh, Chicago, Baltimore, western New York, Michigan and Nebraska.

There were 70 delegates registered at the meeting. A canvass was made, developing that those attending had a total of \$2,187,500 insurance on their own lives, an average of \$30,107.

The movement against rebating took strong root at the very beginning. A resolution was adopted on the subject.

There was quite a competition between the delegates for the second annual convention. Chicago, Detroit and New York entered invitations but Detroit was finally decided upon. Mr. Putnam attended and reported for the "Standard" all of the early conventions of the association and he fostered and encouraged the movement through his magazine, "The Journal of Insurance Economics," during the period of its publication.

any increase in the opportunities for employment."

He paid high tribute to the work of the life insurance agent and urged thorough training, to give expert advice to the prospect with regard to his present and possible future needs, and the promotion of an improved professional standing, such as is contemplated by the C. L. U. movement.

"TO KEEP QUALITY, SERVICE AND SAFETY, FIRST"

has been the constant aim and practice of the Indianapolis Life Insurance Company through its more than a third of a century of progress.

QUALITY—business from quality field underwriters, quality assets, a quality Home Office personnel.

SERVICE—to policyholders and representatives that is complete, prompt, efficient, and

SAFETY, FIRST in all things.

The Company's strong financial position and its growth to the largest company organized as a Legal Reserve, Mutual Company since 1905 attest the wisdom of this course.

INDIANAPOLIS LIFE INSURANCE COMPANY

Indianapolis, Indiana

Over \$109,500,000.00 of Insurance in Force

Agency opportunities in Indiana, Illinois, Ohio, Texas, Michigan, Iowa, California and Minnesota.

EDWARD B. RAUB, President

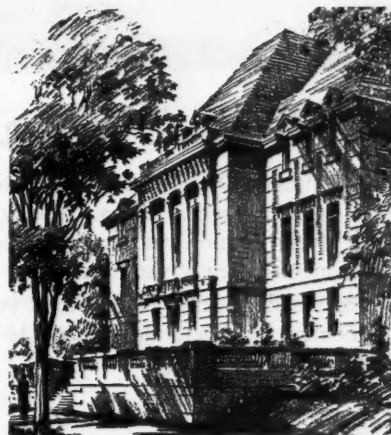
A. H. KAHLER, 2nd Vice-Pres. and Supt. of Agents

CENTRAL STATES LIFE

is a St. Louis company. We wish you a big time during your stay in our city. May your visit not only bring enjoyment, but also add zest to your salesmanship throughout the remainder of the year.

3663 LINDELL BOULEVARD

Alfred Fairbank, President



Agents Must Be Trained in Skill in Selling: Hewitt

(Continued from page 6)

telling his story over and over to prospects. He's had some tough problems but he's been willing to pay the price. As he has mastered each new step in his organized technique, his production has increased proportionately.

Can Devote Only Limited Time

"My point is, however, that while both of these men have been able constantly to develop a higher degree of skill, not always do we find the man who is capable of advancing except at the price of too much time on our part. The exceptional man such as the first I mentioned will do it in large part for himself. But I've found that such men are few and far between—and frankly, the objectives of the Zimmerman agency don't allow me to sit around waiting until another man capable of producing half a million his first year puts in his appearance. I would be very happy to be able to constantly add new men like the second—men in whom skill can be developed.

"Perhaps to our other standards of selection we could profitably add the question: 'If we hire this man, will he be capable of achieving a degree of skill in our technique sufficient to warrant the time we must devote to developing this skill?' Certainly if we are to build an organization of any great effectiveness, there must be a limit to the amount of time that can be devoted to any one individual. Very few men, perhaps, acquire any significant degree of skill in selling life insurance without intelligent guidance.

"With this in mind, how can we classify the steps that any man must take in order to develop skill?

"First, he has to select technique which he can use. I'm inclined to believe that which technique is adopted isn't particularly important. It could be any one of a great number. But it must be a good one. If skill is to be acquired there must be a selected technique.

Must Cover All Steps

"Certain steps are taken in every sale, whatever the situation. The plan selected must cover all of these steps—securing prospects, planning the time and method of approach, presenting the need, answering objections, motivating for action, etc. The more of these steps an agent can perform automatically, the

freer he is to adjust himself to special situations as they arise.

"Second, this technique must be developed and perfected. Many men leave the life insurance business never having acquired the fundamental skill of developing an interesting sales story. Possibly it is here that an agent is particularly dependent on the help that we as supervisors can give.

Establish New Habits

"Not only is it the supervisor's job to devise new ideas but to get men to acquire the habit of presenting them successfully. Isn't it true that every good salesman has developed set habits in his selling procedure that succeed for him? I'm told that the skillful development of a selected technique is a matter of the establishment of new habits—the grooving of a track that once created will serve as a guide for the easy performance of that operation in the future. To really establish a habit takes time and countless repetitions of doing the job unchangingly according to the prescribed pattern. Once that habit is established, then faced with a certain situation, a man will instinctively react in a certain way.

"It seems to be generally accepted by those who have been most successful in training for skill, that the training process must revolve around a memorized

presentation. It is the only way in which improvement can be measured. But memorizing alone is a comparatively small step in the process. Considerable of the bitterness of memorizing can also be removed if the agent is made to understand, as he begins the job, all of the reasons behind each step in the sales procedure.

Drill Is Essential Factor

"We very definitely explain why it is necessary to work from a memorized presentation, emphasizing, however, that the salesman will of course not be required to use the presentation word for word when he goes out in the field.

"The essence of this part of the training job, whether it be a new agent or one with experience, is drill. In our agency, a new man first rehearses in front of his training class. Then two men work together, giving the presentation back and forth to each other, primarily for memory work. Then we work with each man individually. When possible we work with them to improve their inflection—their manner—their gestures and body movement.

"As a follow-up we have almost every man, at some time or other, give a demonstration before an agency meeting or before one of our evening schools for brokers. Nothing tends to make a man brush up on his presentation quite so much as having to give it in front of a group. And it tends away from the drudgery of the usual form of drill. And we have used the clinic method fully described by the Diamond Life Bulletins, which is another excellent instrument of training for skill.

Two Types of Joint Work

"The final step in the process is joint work. We definitely distinguish between two types of joint work, one when we go out on a particular case on which the agent may need help, and the other when we go on a regular day's calls with an agent to check the phases of his procedure. In this we usually alternate interviews between the agent and the coach—both using the same presentation in which the agent has been trained. The final measure of skill, of course, is the closing ratio.

"The third and perhaps most important part of this business of training for skill is that the agent must want to do the job. Not only is it necessary to sell an agent thoroughly on the value to him of this type of procedure at the start, but to maintain a constant follow-up to make sure that he keeps on the track.

"The job of training for skill isn't a separate job by any means. It's a part of the job of teaching a new man the business, of building up an old agent's production, of showing him how to work, of making him want to work, of keeping him on the job, of expanding his practical knowledge of life insurance, of building agency morale and of helping to solve an agent's financial problem."

Aetna Life Luncheon

Vice-President S. T. Whatley and N. M. De Nezzo, field superintendent, entertained the Aetna Life group at luncheon at the Coronado Thursday.

Travelers Luncheon Thursday

Travelers representatives gathered at the Statler Thursday for a company luncheon. About twenty-five were present. The head office contingent consists of J. S. Reber, Harry W. Anderson, and Thomas W. Cole, assistant superintendents of agencies.

Ellsworth Regenstein, president of Kentucky Home Mutual Life of Louisville, is following the proceedings with much interest. Kentucky Home is preparing to enter the accident and health field.

R. R. Haffner, actuary of the Illinois department, is brushing up on his life insurance education at the St. Louis convention.

EDGEWATER BEACH HOTEL



Make it Your Convention Headquarters

111 Insurance Organizations have chosen this unique Hotel on the beautiful shores of Lake Michigan as their meeting place. Ideally located with all modern facilities and unexcelled service for your every comfort and convenience it has played the role of the understanding host to the Insurance Fraternity year after year.

Make the Edgewater Beach Hotel your Convention Headquarters in Chicago—all the luxury and refinement that a private club would afford are yours.

ON LAKE MICHIGAN 5300 BLOCK SHERIDAN ROAD

In CHICAGO

SEE OUR DISPLAY

MEZZANINE FLOOR . . . JEFFERSON HOTEL

THE NATIONAL UNDERWRITER

The Diamond Life Bulletins

SALESMANSHIP SECTION (Seven Volumes)—Subjects: The Art of Prospecting; Time and Work Control; Selling; Sales Talks; Programs and Audits; Settlement Options; Federal Income, Estate and Gift Taxes; State Inheritance, Estate and Gift Taxes; Wills; Exemptions From Creditors' Claims; Business Insurance and Annuities. Practically every sales problem encountered today may be solved by a study of this work. Monthly Supplements temporarily bound for Agency study.

STATISTICAL SECTION (One Volume)—The only monthly loose leaf Service, giving rates, dividends and surrender values for all ages on 44 leading companies writing about 85% of the total business. Special clauses and special policies quoted verbatim. Always up-to-date. Complete, convenient, a time saver, a necessity in analyzing policies, a sure way to keep well informed. This Volume is in daily use in most of the progressive Agencies.

THE D.L.B. AGENT'S SERVICE

(Three Volumes)

An abridged edition of the Salesmanship Section of the Diamond Life Bulletins for Agents, Supervisors and Assistant Managers. Brief, practical—full of selling ideas gathered from everywhere. Loose leaf system with Monthly Supplements.

THE UNIQUE MANUAL—DIGEST

including
ONLY

**Complete Reports
on all companies**
(Facts—not opinions)

**\$5 Policy Provisions, Rates,
Values and Costs, too**
(For all companies)

TWO for price of ONE!

A Real Bargain and the only book of its kind

THE LITTLE GEM LIFE CHART

a pocket size, "gold mine" of helpful
selected facts and figures of your business

First
in its field

—in scope of information shown
—in number of companies covered
—In features of special interest

First
in its field

Largest Circulation of any small reference book!

THE ESTATE-O-GRAPH

the monthly rotogravure that sells
life insurance by means of pictures!

- Paves the way for you—breaks down sales resistance
- Sells the "need" before you make the call
- Reinforces your verbal presentation with pictures
- Shows new uses for life insurance by striking illustrations
- It always gets in—sometimes when you cannot
- It is persistent, brief, but convincing

Ask Any National Underwriter Man!

LIFE INSURANCE TEXT BOOKS

All books helpful to insurance men are
obtainable from The National Underwriter

Recent "Best Sellers"

Life Insurance Speaks for Itself Linton	Sensible Selling Coffin & Engelsman
Sensible Program- ming Timmerman	Selection of Risks Dingman
The Heart Decides Brownold	Business Insurance—Sole Proprietorship Thorp

The "C. L. U." Books—The Famous "Duryea" books, and many others!

Stop at the Booths—your chance to "look them over"

The "NATIONAL UNDERWRITER" Weekly

All the news of your business, national
and local—while it's real news!

Also Many Other Popular Publications Including
The Insurance Salesman The Industrial Salesman
The Life Agent's Companion

Atlanta

Dallas

Des Moines

New York

Cincinnati

Toronto

Chicago

San Francisco

Philadelphia

Detroit

Boston

THE NATIONAL UNDERWRITER COMPANY

World's largest publishing house devoted exclusively to the insurance business!



A GREAT ACHIEVEMENT

In 1938, excluding Industrial Insurance, this company's per cent of gain and amount of increase in *new paid business* over 1937 was greatest among both the 25 largest mutual companies and the 25 largest life insurance companies. The per cent of gain in *insurance in force* during the same period was also the greatest among both groups. Likewise, the Minnesota Mutual's amount of gain in *insurance in force* was greater than in 11 of the 25 largest mutuals and greater than in 10 of the 25 largest companies.

This remarkable record was achieved by our Field Force who reaped their reward in increased incomes.

A \$225,000,000.00 Mutual Company, 59 years old with an understanding, cooperative Home Office.

**THE MINNESOTA MUTUAL
LIFE INSURANCE COMPANY**

ST. PAUL, MINNESOTA

"BUILT FOR PROTECTION"

Growing Greater

... In Service

Payments to Policy Owners and Beneficiaries of over \$50,000,000 since organization. Approximately \$7,000.00 is paid out every day in contract benefits.

... In Size

Record for the first six months of 1939:

	Insurance in Force	Assets	Capital and Surplus
June, 1939	\$247,907,092.00	\$23,739,028.00	\$3,610,814.00
Dec., 1938	229,238,121.00	21,809,313.00	3,341,437.00
Gain	\$ 18,668,971.00	\$ 1,929,715.00	\$ 269,377.00



**LIFE and CASUALTY
INSURANCE COMPANY**

OF TENNESSEE

A. M. Burton, President

Home Office—Nashville

Conferment Dinner, Election, Teachers' Conference Held

(Continued from page 7)

endorsement. Emphasis will be placed on a program of public relations. Extension of C. L. U. membership and training will be encouraged specifically through national chapter officials and directors, working with local chapter officials. A program of regional visits to local chapters by national chapter officials and regional directors was approved. The further development of company associations was endorsed for special cooperation by the national chapter.

The directors approved the creation of two chapters, one at St. Paul and another at Minneapolis, replacing the former Twin Cities chapter. This brings the number of chapters to 42.

Examinations Not Too Long

The question of whether the C. L. U. examinations are too long came up for a lively discussion at a meeting for teachers and leaders in training for the C. L. U. examinations. J. P. Williams, educational director of the American College, presided.

A show of hands after the discussion indicated almost unanimously that the examinations, as conducted in past years on a schedule of 2½ full days of written examinations in five parts, were not too long or too extensive as to volume of content. There had been some comment, it was reported, by candidates who found the examinations heavy.

"It must be understood," said Dean McCahan of the American College, "that

the examinations are on a strictly professional basis. Such examinations require the candidate to recall the factual content of his studies—to know the facts—but it is more important to be able to apply the facts and the correct life underwriting practice to varied and typical cases.

"There is a special value in such training because it helps the candidate to apply his knowledge in the day's work."

Adult Education Question

The bugaboo of adult education and its supposed difficulties came in for comment. It was the consensus that the adult who is a logical candidate for C. L. U. studies can learn as rapidly as younger students if the adult is placed under effective instruction and an organized program of study.

The fact was brought out that an increasing number of C. L. U. instructors are former teachers who are also fully qualified C. L. U.s, active and successful in life underwriting.

"The influence of the C. L. U. educational program is becoming widespread," said Mr. Williams. "In 1939, the 12th year of the American College, there are 5,000 life underwriters in the United States engaged in advanced professional study."

Improving Public Service

"This vast educational effort is improving the life underwriting service to the insuring public. It is helping to serve millions of policyholders and their dependents in a highly efficient manner under personal financial and insurance programs suited to their individual needs. In professional life underwriting the emphasis is on the best service to the client, as in other professional service."



HOME OFFICE BUILDING

The "ALL PURPOSE PLAN"

makes selling easier for our representatives.

This up-to-the-minute piece of sales material embodies a unique policy that eliminates competition.

It is just one of our many facilities.

Information about this or any of our other services may be obtained by writing the Home Office.

NATIONAL FIDELITY LIFE INSURANCE COMPANY

KANSAS CITY, MISSOURI

W. RALPH JONES, President

Greetings
from San Francisco

W. J. ARNETTE

MANAGER

J. M. Mitchell, Ass't Manager

THE FIDELITY MUTUAL LIFE INSURANCE COMPANY
MILLS BUILDING SAN FRANCISCO

DONALD A. HAMPTON
GENERAL AGENT

**PROVIDENT MUTUAL
LIFE INSURANCE COMPANY OF PHILADELPHIA**
SUITE 434, 111 SUTTER SAN FRANCISCO